

FIFTY SECOND DAY

MORNING SESSION

Senate Chamber, Olympia  
Wednesday, March 6, 2019

The Senate was called to order at 10:12 a.m. by the President Pro Tempore, Senator Keiser presiding. The Secretary called the roll and announced to the President Pro Tempore that all senators were present with the exception of Senator Walsh.

The Sergeant at Arms Color Guard consisting of Pages Miss Delaney Dermody and Miss Nobelle Wilkinson Bennett, presented the Colors. Page Miss Katie Christensen led the Senate in the Pledge of Allegiance.

The prayer was offered by Rabbi Bruce Kadden of Temple Beth El, Tacoma.

The President Pro Tempore called upon the Secretary to read the journal of the preceding day.

MOTION

On motion of Senator Liias, the reading of the Journal of the previous day was dispensed with and it was approved.

MOTION

Pursuant to Rule 46, on motion of Senator Liias, and without objection, the Committee on Transportation was granted special leave to meet during the day's floor session.

MOTION

On motion of Senator Liias, Rule 15 was suspended for the remainder of the day for the purpose of allowing continued floor action.

EDITOR'S NOTE: Senate Rule 15 establishes the floor schedule and calls for a lunch and dinner break of 90 minutes each per day during regular daily sessions.

MOTION

On motion of Senator Liias, the Senate advanced to the fourth order of business.

MESSAGE FROM THE HOUSE

March 5, 2019

MR. PRESIDENT:  
The House has passed:

- SUBSTITUTE HOUSE BILL NO. 1083,
- SUBSTITUTE HOUSE BILL NO. 1225,
- SUBSTITUTE HOUSE BILL NO. 1284,
- SUBSTITUTE HOUSE BILL NO. 1298,
- SUBSTITUTE HOUSE BILL NO. 1302,
- SECOND SUBSTITUTE HOUSE BILL NO. 1344,
- HOUSE BILL NO. 1375,
- SECOND SUBSTITUTE HOUSE BILL NO. 1394,
- HOUSE BILL NO. 1397,
- SUBSTITUTE HOUSE BILL NO. 1406,
- SECOND SUBSTITUTE HOUSE BILL NO. 1424,

- SECOND SUBSTITUTE HOUSE BILL NO. 1444,
- HOUSE BILL NO. 1462,
- SECOND SUBSTITUTE HOUSE BILL NO. 1497,
- SECOND SUBSTITUTE HOUSE BILL NO. 1528,
- SUBSTITUTE HOUSE BILL NO. 1576,
- SUBSTITUTE HOUSE BILL NO. 1605,
- SECOND SUBSTITUTE HOUSE BILL NO. 1668,
- HOUSE BILL NO. 1670,
- SECOND SUBSTITUTE HOUSE BILL NO. 1713,
- SUBSTITUTE HOUSE BILL NO. 1786,
- HOUSE BILL NO. 1829,
- HOUSE BILL NO. 1866,
- SECOND SUBSTITUTE HOUSE BILL NO. 1973,
- HOUSE BILL NO. 1980,
- HOUSE BILL NO. 2040,
- HOUSE BILL NO. 2072,
- SUBSTITUTE HOUSE BILL NO. 2108,
- HOUSE BILL NO. 2110,
- HOUSE BILL NO. 2129,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

On motion of Senator Liias, the Senate advanced to the fifth order of business.

INTRODUCTION AND FIRST READING

SB 5981 by Senators Carlyle and Palumbo

AN ACT Relating to implementing a greenhouse gas emissions cap and trade program; amending RCW 70.235.020 and 70.94.151; adding a new chapter to Title 70 RCW; creating a new section; prescribing penalties; and providing a contingent expiration date.

Referred to Committee on Environment, Energy & Technology.

2SHB 1039 by House Committee on Appropriations (originally sponsored by Pollet, Cody, Slatter, Leavitt, Callan, Senn, Lekanoff, Kloba, Peterson, Valdez, Kilduff, Ryu, Irwin, Appleton, Jinkins, Macri, Wylie, Goodman, Doglio, Stanford, Stonier and Frame)

AN ACT Relating to opioid overdose medication at kindergarten through twelfth grade schools and higher education institutions; amending RCW 28A.210.260 and 28A.210.270; adding new sections to chapter 28A.210 RCW; adding a new section to chapter 28B.10 RCW; and creating new sections.

Referred to Committee on Health & Long Term Care.

2SHB 1065 by House Committee on Appropriations (originally sponsored by Cody, Jinkins, Riccelli, Wylie, Ormsby, Tharinger, Macri, Robinson, Slatter, Kloba, Valdez, Appleton, Doglio, Pollet, Stanford, Frame, Reeves and Bergquist)

AN ACT Relating to protecting consumers from charges for out-of-network health care services; amending RCW

48.43.005, 48.43.093, 41.05.017, 48.43.055, and 48.18.200; reenacting and amending RCW 18.130.180; adding a new section to chapter 48.30 RCW; adding a new section to chapter 70.41 RCW; adding a new section to chapter 70.230 RCW; adding a new section to chapter 70.42 RCW; adding a new section to chapter 43.371 RCW; adding a new chapter to Title 48 RCW; creating new sections; prescribing penalties; providing an effective date; and providing an expiration date.

Referred to Committee on Health & Long Term Care.

**HB 1089** by Representatives MacEwen, Volz and Santos

AN ACT Relating to certificates of academic and individual achievement; amending RCW 28A.155.045, 28A.155.170, 28A.230.090, 28A.230.122, 28A.230.125, 28A.655.070, 28A.180.100, 28A.195.010, 28A.200.010, 28A.305.130, 28A.320.208, 28A.415.360, and 28A.600.310; adding a new section to chapter 28A.655 RCW; creating a new section; repealing RCW 28A.600.405, 28A.655.061, 28A.655.063, 28A.655.065, 28A.655.066, and 28A.655.068; and declaring an emergency.

Referred to Committee on Early Learning & K-12 Education.

**SHB 1091** by House Committee on Civil Rights & Judiciary (originally sponsored by Goodman)

AN ACT Relating to making technical corrections and removing obsolete language from the Revised Code of Washington pursuant to RCW 1.08.025; amending RCW 1.20.110, 28B.117.040, 29A.92.005, 29A.92.030, 29A.92.050, 29A.92.060, 29A.92.070, 29A.92.080, 29A.92.090, 29A.92.100, 29A.92.120, 29A.92.710, 29A.92.900, 41.50.033, 70.15.110, 70.305.010, and 74.13.029; reenacting and amending RCW 9.94A.515, 13.40.193, 41.04.665, and 66.20.300; reenacting RCW 43.21B.300, 66.20.310, and 69.50.412; adding a new section to chapter 74.14B RCW; and creating a new section.

Referred to Committee on Law & Justice.

**ESHB 1130** by House Committee on Education (originally sponsored by Orwall, McCaslin, Pollet, Ryu, Lovick, Stanford and Valdez)

AN ACT Relating to language access in public schools; adding a new section to chapter 28A.630 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Early Learning & K-12 Education.

**HB 1147** by Representatives Chapman, Klippert and Goodman

AN ACT Relating to access of broadcasters to a geographic area subject to the declaration of a national, state, or local emergency; amending RCW 38.52.010 and 38.52.110; and adding a new section to chapter 38.52 RCW.

Referred to Committee on State Government, Tribal Relations & Elections.

**SHB 1198** by House Committee on Health Care & Wellness (originally sponsored by Caldier, Cody, Harris, Orwall, Slatter, Macri, Wylie, Eslick, Doglio, Griffey and Robinson)

AN ACT Relating to requiring health care providers sanctioned for sexual misconduct to notify patients; adding a new section to chapter 18.130 RCW; and providing an effective date.

Referred to Committee on Health & Long Term Care.

**SHB 1199** by House Committee on Appropriations (originally sponsored by Cody, DeBolt, Jinkins, Harris, Tharinger, Caldier, Robinson, Macri, Schmick, Stonier, Slatter, Wylie, Tarleton, Frame, Pollet and Riccelli)

AN ACT Relating to health care for working individuals with disabilities; amending RCW 74.09.540; creating a new section; and providing an effective date.

Referred to Committee on Health & Long Term Care.

**SHB 1210** by House Committee on Education (originally sponsored by Kilduff, Leavitt, Mosbrucker, Ryu, Barkis, Reeves, Klippert, Dolan, Jinkins, Orwall, Ortiz-Self, Caldier, Lovick, Santos, Tharinger and Riccelli)

AN ACT Relating to allowing nonresident children from military families to enroll in Washington's public schools prior to arrival in the state; and adding a new section to chapter 28A.225 RCW.

Referred to Committee on Early Learning & K-12 Education.

**SHB 1264** by House Committee on Appropriations (originally sponsored by Ortiz-Self, Orwall, Bergquist, Santos, Dolan, Lovick, Peterson, Reeves, Sells, Stanford, Appleton, Callan, Wylie and Pollet)

AN ACT Relating to secondary traumatic stress in public school staff; adding a new section to chapter 28A.415 RCW; and creating a new section.

Referred to Committee on Early Learning & K-12 Education.

**HB 1279** by Representatives Hudgins, Stokesbary, Smith and Morris

AN ACT Relating to eliminating the joint legislative oversight committee on trade policy; amending RCW 43.15.020; repealing RCW 44.55.010, 44.55.020, 44.55.030, 44.55.040, 44.55.050, and 44.55.060; and providing an effective date.

Referred to Committee on Financial Institutions, Economic Development & Trade.

**SHB 1350** by House Committee on Civil Rights & Judiciary (originally sponsored by Kilduff, Irwin, Jinkins, Fey, Leavitt and Ortiz-Self)

AN ACT Relating to jurisdiction of temporary protection orders; and amending RCW 10.14.150.

Referred to Committee on Law & Justice.

**SHB 1403** by House Committee on Finance (originally sponsored by Frame, Orcutt and Stokesbary)

AN ACT Relating to simplifying the administration of municipal business and occupation tax apportionment; amending RCW 35.102.130; and providing an effective date.

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

Referred to Committee on Ways &amp; Means.

Referred to Committee on Human Services, Reentry &amp; Rehabilitation.

HB 1408 by Representatives Volz, Ormsby, Fitzgibbon and Bergquist

AN ACT Relating to clarifying the written consent requirement for survivorship benefit options; and amending RCW 41.26.460, 41.32.530, 41.32.785, 41.32.851, 41.35.220, 41.37.170, 41.40.188, 41.40.660, 41.40.845, and 43.43.271.

Referred to Committee on Ways &amp; Means.

ESHB 1565 by House Committee on Health Care & Wellness (originally sponsored by Robinson, Tharinger, Klippert and Lovick)

AN ACT Relating to certain providers sharing background checks; amending RCW 43.43.830; and reenacting and amending RCW 43.43.832.

Referred to Committee on Human Services, Reentry &amp; Rehabilitation.

HB 1429 by Representatives Shewmake, Chandler, Blake, Kretz, Springer and Dent

AN ACT Relating to extending the dairy milk assessment fee to June 30, 2025; amending RCW 15.36.551; and providing an expiration date.

Referred to Committee on Agriculture, Water, Natural Resources &amp; Parks.

SHB 1577 by House Committee on Education (originally sponsored by Callan, Stonier, Steele, Vick, Bergquist, Senn, Slatter, Jenkin, Goodman, Pettigrew, Ybarra, Dent, Harris, Tarleton, Dolan and Lekanoff)

AN ACT Relating to addressing data gathering of student participation in K-12 computer science education; adding a new section to chapter 28A.300 RCW; and creating a new section.

Referred to Committee on Early Learning &amp; K-12 Education.

2SHB 1448 by House Committee on Appropriations (originally sponsored by Maycumber, Chapman, Lovick, Gildon, Reeves, Volz, Steele, Kilduff, Mosbrucker, Pettigrew, Boehnke, McCaslin, Macri, Irwin, Corry, Klippert, MacEwen, Riccelli, Eslick, Leavitt, Dye, Ryu, Smith, Stokesbary, Chambers, DeBolt, Slatter, Jenkin, Barkis, Cody, Schmick, Kretz, Tharinger, Van Werven, Orwall, Sells, Sutherland, Stanford, Ormsby and Jinkins)

AN ACT Relating to creating the veterans service officer program; adding new sections to chapter 43.60A RCW; and creating a new section.

Referred to Committee on State Government, Tribal Relations &amp; Elections.

SHB 1587 by House Committee on Appropriations (originally sponsored by Riccelli, Entenman, Harris, Stonier, Peterson, Chandler, Gregerson, Thai, Senn, Hudgins, Macri, Lekanoff, Griffey, Steele, Goehner, Wylie, Appleton, Chapman, Lovick, Shewmake, Valdez, Bergquist, Morris, Doglio, Robinson, Tharinger, Goodman, Pollet, Slatter, Ormsby and Frame)

AN ACT Relating to increasing access to fruits and vegetables for individuals with limited incomes; adding a new section to chapter 43.70 RCW; and creating a new section.

Referred to Committee on Human Services, Reentry &amp; Rehabilitation.

HB 1516 by Representatives Blake, Dent, Chapman, Kretz, Walsh, Lekanoff, Orcutt, Springer, Pettigrew, Hoff and Shea

AN ACT Relating to establishing a department of fish and wildlife directed nonlethal program for the purpose of training dogs; amending RCW 77.15.245; and adding a new section to chapter 77.12 RCW.

Referred to Committee on Agriculture, Water, Natural Resources &amp; Parks.

SHB 1595 by House Committee on Public Safety (originally sponsored by Stonier, Eslick, Wylie, Appleton, Doglio, Ormsby and Leavitt)

AN ACT Relating to the sharing of information between participants in multidisciplinary coordination of child sexual abuse investigations; amending RCW 13.50.010 and 26.44.180; and adding a new section to chapter 26.44 RCW.

Referred to Committee on Human Services, Reentry &amp; Rehabilitation.

HB 1554 by Representatives Thai, Harris, Robinson, Stonier, Appleton, Gregerson, Jinkins, Slatter and Macri

AN ACT Relating to dental hygienists; and amending RCW 18.29.056, 18.29.110, 18.29.190, and 18.29.220.

Referred to Committee on Health &amp; Long Term Care.

HB 1604 by Representatives Stonier, Harris, Appleton and Jinkins

AN ACT Relating to the Washington center for deaf and hard of hearing youth; amending RCW 72.40.015, 72.40.019, 72.40.0191, 72.40.024, 72.40.028, 72.40.070, 72.40.120, 72.40.200, 72.40.210, 72.40.220, 72.40.250, 72.40.290, 26.44.210, 28A.155.160, 28A.310.010, 28A.310.180, 28A.310.200, 28A.335.205, 28A.400.300, 28A.400.305, 28A.600.020, 28A.600.420, 39.26.300, 41.40.088, 70.198.020, 72.42.010, 72.42.015, 72.42.016, and 72.42.060; and reenacting and amending RCW 28A.400.303 and 43.79A.040.

HB 1561 by Representatives Dent, Senn, Appleton, Doglio, Tharinger, Slatter, Ormsby, Frame and Leavitt

AN ACT Relating to ensuring participation on the oversight board for children, youth, and families by current or former foster youth, individuals with current or previous experience in the juvenile justice system, a physician with experience working with children or youth, and individuals residing east of the Cascade mountain range; and reenacting and amending RCW 43.216.015.

Referred to Committee on Early Learning & K-12 Education.

SHB 1644 by House Committee on Human Services & Early Learning (originally sponsored by Ortiz-Self, Lovick, Kilduff, Valdez, Frame, Goodman, Davis and Leavitt)  
AN ACT Relating to the creation of a youth development work group within the department of children, youth, and families; adding a new section to chapter 43.216 RCW; and providing an expiration date.

Referred to Committee on Human Services, Reentry & Rehabilitation.

HB 1688 by Representatives Morgan, Sutherland, Leavitt, Gildon, Kilduff, Ryu and Doglio  
AN ACT Relating to resident student status as applied to veterans; and amending RCW 28B.15.012.

Referred to Committee on Higher Education & Workforce Development.

HB 1702 by Representatives Van Werven, Leavitt, Kraft, Entenman, Rude, Sutherland, Dye, Gildon, Slatter, Chambers, Graham, Caldier, Eslick, Mosbrucker, Young, Jinkins, Bergquist, Doglio and Pollet  
AN ACT Relating to informing students of low-cost course materials for community and technical college courses; and amending RCW 28B.50.789.

Referred to Committee on Higher Education & Workforce Development.

HB 1714 by Representatives Entenman, Boehnke, Jinkins, Ortiz-Self, Bergquist, Pollet and Leavitt  
AN ACT Relating to granting of high school diplomas by community or technical colleges; and amending RCW 28B.50.535.

Referred to Committee on Higher Education & Workforce Development.

SHB 1724 by House Committee on Local Government (originally sponsored by Santos)  
AN ACT Relating to local government responsibility and accountability in mitigating impacts of public facilities on certain surrounding neighborhoods with high poverty and concentrations of persons of color; and adding a new section to chapter 35.21 RCW.

Referred to Committee on Local Government.

HB 1726 by Representatives Riccelli, Schmick, Robinson, Walsh, Thai, Stonier, Macri and Pollet  
AN ACT Relating to services provided by health care professional students; amending RCW 18.57.040, 18.71.030, and 18.79.240; and adding a new section to chapter 18.64 RCW.

Referred to Committee on Health & Long Term Care.

SHB 1739 by House Committee on Civil Rights & Judiciary (originally sponsored by Valdez, Dolan, Kilduff, Pollet, Bergquist, Frame, Jinkins, Kloba and Macri)  
AN ACT Relating to firearms that are undetectable or untraceable; amending RCW 9.41.010, 9.41.190, and

9.41.220; reenacting and amending RCW 9.94A.515; creating a new section; prescribing penalties; providing an effective date; and declaring an emergency.

Referred to Committee on Law & Justice.

SHB 1742 by House Committee on Human Services & Early Learning (originally sponsored by Frame, Eslick, Senn, Griffey, Kilduff, Corry, Appleton, Sells, Walen, Wylie, Doglio, Stanford, Robinson, Macri and Davis)  
AN ACT Relating to juvenile offenses that involve depictions of minors; amending RCW 9.68A.050, 9.68A.060, 9.68A.070, 9.68A.075, and 13.40.070; adding a new section to chapter 13.40 RCW; adding new sections to chapter 9.68A RCW; adding a new section to chapter 9A.86 RCW; creating a new section; and prescribing penalties.

Referred to Committee on Law & Justice.

HB 1755 by Representatives Leavitt, Van Werven, Bergquist, Corry, Ybarra, Volz, Pollet, Dent, Lovick, Doglio, Ormsby and Santos  
AN ACT Relating to allowing regional universities to offer doctorate level degrees in education; and adding a new section to chapter 28B.35 RCW.

Referred to Committee on Higher Education & Workforce Development.

SHB 1764 by House Committee on Local Government (originally sponsored by Chambers, Goodman, Mosbrucker, Corry, Gildon, Klippert, DeBolt, Fey, Van Werven, MacEwen, Riccelli, McCaslin and Young)  
AN ACT Relating to adjusting monetary thresholds for found property; and amending RCW 63.21.050.

Referred to Committee on Local Government.

ESHB 1799 by House Committee on Health Care & Wellness (originally sponsored by Hoff, Wylie, Corry, Sutherland, Vick, Paul, Smith and Goodman)  
AN ACT Relating to developing a short form for death certificates; and amending RCW 70.58.082.

Referred to Committee on Law & Justice.

HB 1803 by Representatives Orcutt and Santos  
AN ACT Relating to increasing the number of school districts that may be authorized to reduce the minimum number of required school days in a school year; amending RCW 28A.150.222; and declaring an emergency.

Referred to Committee on Early Learning & K-12 Education.

SHB 1826 by House Committee on Civil Rights & Judiciary (originally sponsored by Leavitt, Kilduff and Morgan)  
AN ACT Relating to the disclosure of certain information during the discharge planning process; amending RCW 71.05.365; adding a new section to chapter 71.05 RCW; and prescribing penalties.

Referred to Committee on Health & Long Term Care.

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

SHB 1847 by House Committee on Local Government (originally sponsored by Pellicciotti, Orwall, Gregerson, Reeves and Santos)

AN ACT Relating to aircraft noise abatement; and amending RCW 53.54.010, 53.54.020, and 53.54.030.

Referred to Committee on Local Government.

HB 1852 by Representatives Ramos, Pollet, Tarleton, Peterson, Appleton and Tharinger

AN ACT Relating to property tax refunds more than three years after the due date resulting from certain manifest errors; and amending RCW 84.69.030.

Referred to Committee on Local Government.

SHB 1869 by House Committee on Health Care & Wellness (originally sponsored by Schmick and Cody)

AN ACT Relating to establishing the emerging therapies work group; creating a new section; and providing an expiration date.

Referred to Committee on Health & Long Term Care.

HB 1906 by Representatives Ortiz-Self, Valdez, Ramos, Stonier, Doglio, Stanford, Reeves, Macri, Frame and Jinkins

AN ACT Relating to recognizing the tenth day of April as Dolores Huerta day; and amending RCW 1.16.050.

Referred to Committee on State Government, Tribal Relations & Elections.

HB 2008 by Representatives Hudgins, Gregerson and Tarleton

AN ACT Relating to alternate methods of ballot security; and amending RCW 29A.40.091.

Referred to Committee on State Government, Tribal Relations & Elections.

SHB 2044 by House Committee on Local Government (originally sponsored by Senn, Peterson, Pollet, Callan and Thai)

AN ACT Relating to the deannexation of a portion of land from a park and recreation district or metropolitan park district; amending RCW 36.69.310 and 35.61.310; adding a new section to chapter 36.69 RCW; and adding a new section to chapter 35.61 RCW.

Referred to Committee on Local Government.

#### MOTIONS

On motion of Senator Liias, all measures listed on the Introduction and First Reading report were referred to the committees as designated.

On motion of Senator Liias, the Senate advanced to the seventh order of business.

#### THIRD READING

#### CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

#### MOTION

Senator Liias moved that Michael Deller, Gubernatorial Appointment No. 9051, be confirmed as a member of the Everett Community College Board of Trustees.

Senator Liias spoke in favor of the motion.

#### MOTIONS

On motion of Senator Rivers, Senators Walsh and Zeiger were excused.

On motion of Senator Mullet, Senators Cleveland and Hobbs were excused.

#### APPOINTMENT OF MICHAEL DELLER

The President Pro Tempore declared the question before the Senate to be the confirmation of Michael Deller, Gubernatorial Appointment No. 9051, as a member of the Everett Community College Board of Trustees.

The Secretary called the roll on the confirmation of Michael Deller, Gubernatorial Appointment No. 9051, as a member of the Everett Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 43; Nays, 0; Absent, 6; Excused, 0.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Conway, Darneille, Das, Dhingra, Ericksen, Frockt, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C. and Wilson, L.

Absent: Senators Cleveland, Fortunato, Hobbs, O'Ban, Walsh and Zeiger

Michael Deller, Gubernatorial Appointment No. 9051, having received the constitutional majority was declared confirmed as a member of the Everett Community College Board of Trustees.

#### SECOND READING

SENATE BILL NO. 5604, by Senators Pedersen, Padden, Conway, Kuderer, Keiser, Salomon, Bailey and Dhingra

Concerning the uniform guardianship, conservatorship, and other protective arrangements act.

#### MOTIONS

On motion of Senator Pedersen, Second Substitute Senate Bill No. 5604 was substituted for Senate Bill No. 5604 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Pedersen, the rules were suspended, Second Substitute Senate Bill No. 5604 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Pedersen, Conway and Bailey spoke in favor of passage of the bill.

Senator Padden spoke against passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5604.

#### ROLL CALL

The Secretary called the roll on the final passage of Second

Substitute Senate Bill No. 5604 and the bill passed the Senate by the following vote: Yeas, 32; Nays, 16; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Billig, Braun, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hawkins, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Palumbo, Pedersen, Randall, Rolfes, Saldaña, Salomon, Sheldon, Takko, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Becker, Brown, Ericksen, Fortunato, Holy, Honeyford, King, O'Ban, Padden, Rivers, Schoesler, Short, Wagoner, Warnick, Wilson, L. and Zeiger

Excused: Senator Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5604, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5800, by Senators Randall, Zeiger, Nguyen, Wilson, C., Saldaña, Carlyle, Keiser, Sheldon, Das, Hasegawa and Kuderer

Concerning homeless college students.

#### MOTIONS

On motion of Senator Randall, Second Substitute Senate Bill No. 5800 was substituted for Senate Bill No. 5800 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Randall, the rules were suspended, Second Substitute Senate Bill No. 5800 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Randall and Darneille spoke in favor of passage of the bill.

Senator Holy spoke against passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5800.

#### ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5800 and the bill passed the Senate by the following vote: Yeas, 30; Nays, 18; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Palumbo, Pedersen, Randall, Rolfes, Saldaña, Salomon, Sheldon, Takko, Van De Wege, Wellman, Wilson, C. and Zeiger

Voting nay: Senators Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, O'Ban, Padden, Rivers, Schoesler, Short, Wagoner, Warnick and Wilson, L.

Excused: Senator Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5800, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5774, by Senators Liias, Palumbo, Mullet,

Randall, Wellman, Darneille, Conway, Keiser, Kuderer, Nguyen and Wilson, C.

Relieving student debt.

#### MOTION

On motion of Senator Liias, Second Substitute Senate Bill No. 5774 was substituted for Senate Bill No. 5774 and the substitute bill was placed on the second reading and read the second time.

#### MOTION

Senator Zeiger moved that the following striking amendment no. 172 by Senator Zeiger be adopted:

Strike everything after the enacting clause and insert the following:

**“NEW SECTION. Sec. 1.** The legislature finds that a postsecondary credential is essential to Washingtonians’ ability to attain jobs with good salaries and advancement opportunities, and that meeting the increasing demand for credentialed workers to fill jobs in Washington is essential to the future health of the state’s economy. The legislature finds that the amount of debt that individual Washingtonians incur in pursuit of postsecondary credentials represents a growing burden on individuals and on the state’s economy at large that negatively impacts individuals’ ability to obtain a postsecondary credential, as well as their ability to save for retirement, purchase a home, and start a family. The legislature finds that giving Washingtonians new tools to address this burden is necessary to help make higher education more accessible and affordable.

**NEW SECTION. Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) “Applicant” means a person applying for a license under this chapter.

(2) “Department” means the department of financial institutions.

(3) “Director” means the director of financial institutions.

(4) “Financial institution” means commercial banks and alien banks subject to regulation under Title 30A RCW, savings banks subject to regulation under Title 32 RCW, savings associations subject to regulation under Title 33 RCW, and credit unions subject to regulation under chapter 31.12 RCW.

(5) “Income” means salary, wages, interest, dividends, and other earnings which are reportable for federal income tax purposes.

(6) “Income share agreement” means an agreement between an individual and any other person under which the individual commits to pay a specified percentage of the individual’s future income, for a specified period of time, in exchange for payments to or on behalf of the individual for postsecondary education, workforce development, or similar purposes.

(7) “Income share agreement originator” means a person who for compensation or gain takes an income share agreement application or offers or negotiates the terms of an income share agreement or a person who purchases an existing income share agreement. An income share agreement originator does not include any individual who performs purely administrative or clerical tasks.

(8) “Individual” means any person who consults with or retains a licensee or person subject to this chapter in an effort to obtain, or who seeks information about entering into, an income share agreement regardless of whether that person actually enters into

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

an agreement.

(9) "License" means a single license issued under the authority of this chapter with respect to a single place of business.

(10) "Licensee" means a person to whom one or more licenses have been issued. "Licensee" also means any person, whether located within or outside of this state, who fails to obtain a license required by this chapter.

(11) "Person" includes individuals, partnerships, associations, limited liability companies, limited liability partnerships, trusts, corporations, and all other legal entities.

(12) "Principal" means any person who controls, directly or indirectly through one or more intermediaries, alone or in concert with others, a ten percent or greater interest in a partnership; company; association; corporation; or a limited liability company, and the owner of a sole proprietorship.

**NEW SECTION. Sec. 3.** An income share agreement must:

(1) Specify the percentage of future income which the individual is obligated to pay to the person with whom the individual has entered into an income share agreement;

(2) Specify the maximum duration of the individual's obligation under the income share agreement, which may not exceed three hundred sixty months, unless the duration has been extended pursuant to section 5 of this act;

(3) Specify that at least the first ten thousand dollars of an individual's income is exempt when determining the individual's income for a given year; the amount of the exemption must be adjusted annually to reflect changes in the consumer price index for all urban consumers published by the bureau of labor statistics of the department of labor for the most recent twelve-month period for which such data are available, and notice must be provided annually to the individual regarding the updated income threshold for exemption;

(4) Specify the terms and conditions by which the individual may extinguish his or her obligations under the income share agreement before the end of the payment period specified in the agreement, based upon the remaining term of the payment period;

(5) Make the following disclosures regarding the income share agreement in clear and simple language:

(a) The definition of income to be used for the purposes of calculating the individual's obligation;

(b) The percentage of income the individual is committed to paying under the agreement and the number of payments required per year;

(c) The duration of the individual's obligations under the agreement, including any circumstances under which the duration of the contract may be extended;

(d) That the agreement is not a debt instrument;

(e) That the amount the individual is required to pay under the agreement may be more or less than the payments made to or on behalf of the individual;

(f) That the agreement represents the obligation by the individual to pay a specific percentage of his or her income and does not give the contract holder any rights regarding the individual's actions regarding educational or employment pursuits; and

(g) Whether the obligations of the individual under the agreement may be extinguished by accelerating payments and any terms under which payment may be accelerated.

**NEW SECTION. Sec. 4.** (1) No licensee may enter into an income share agreement if the total percentage of an individual's future income obligated under the agreement and any other income share agreement entered into by the individual exceeds fifteen percent of his or her future income.

(2) Any income share agreement entered into in violation of

subsection (1) of this section is unenforceable against the individual.

**NEW SECTION. Sec. 5.** The duration of the individual's obligations under the income share agreement may be extended for a period of time equal to the time that the individual's annual income is less than the exempt amount established in section 3(3) of this act.

**NEW SECTION. Sec. 6.** (1) In the event of the sale of an income share agreement by the originator of the agreement, the buyer of the agreement is subject to the requirements of this chapter.

(2) The buyer of an income share agreement must be a licensee or have a servicer for the income share agreement who is a licensee.

**NEW SECTION. Sec. 7.** It is a violation of this chapter for a licensee, its officers, directors, employees, or independent contractors, or any other person subject to this chapter to:

(1) Directly or indirectly employ any scheme, device, or artifice to defraud or mislead any individual, to defraud or mislead any lender, or to defraud or mislead any person;

(2) Directly or indirectly engage in any unfair or deceptive practice toward any person;

(3) Directly or indirectly obtain property by fraud or misrepresentation;

(4) Fail to make disclosures to loan applicants as required by RCW 31.04.102 and any other applicable state or federal law;

(5) Make, in any manner, any false or deceptive statement or representation with regard to the financing terms or conditions for an income share agreement or engage in bait and switch advertising;

(6) Negligently make any false statement or knowingly and willfully make any omission of material fact in connection with any reports filed with the department by a licensee or in connection with any investigation conducted by the department;

(7) Violate any applicable state or federal law relating to the activities governed by this chapter;

(8) Make or originate income share agreements from any unlicensed location;

(9) Fail to comply with the terms of the income share agreement; or

(10) Fail to comply with advertising regulations set by rule.

**NEW SECTION. Sec. 8.** (1) No person may originate income share agreements without first obtaining and maintaining a license in accordance with this chapter.

(2) If a transaction violates subsection (1) of this section, any fees or interest charged in the making of an income share agreement must be refunded to the individual.

(3) Each licensed income share agreement originator must register with and maintain a valid unique identifier issued by the nationwide mortgage licensing system and registry.

**NEW SECTION. Sec. 9.** (1) Each application for a license under this chapter must be in writing in a form prescribed by the director. The application must contain at least the following information:

(a) The name and the business addresses of the applicant;

(b) If the applicant is a partnership, limited liability company, or association, the name of every member;

(c) If the applicant is a corporation, the name, residence address, and telephone number of each officer and director;

(d) The street address, county, and municipality from which business is to be conducted; and

(e) Other information as the director may require by rule.

(2) As part of or in connection with an application for any license under this section, or periodically upon license renewal, each officer, director, and owner applicant must furnish information concerning his or her identity, including fingerprints for submission to the Washington state patrol, the federal bureau of investigation, or any governmental agency or entity authorized to receive this information for a state and national criminal history background check, personal history, experience, business record, purposes, and other pertinent facts, as the director may reasonably require. As part of or in connection with an application for a license under this chapter, or periodically upon license renewal, the director is authorized to receive criminal history record information that includes nonconviction data as defined in RCW 10.97.030. The department may only disseminate nonconviction data obtained under this section to criminal justice agencies. This section does not apply to financial institutions regulated under chapters 31.12 and 31.13 RCW and Titles 30A, 32, and 33 RCW.

(3) At the time of filing an application for a license under this chapter, each applicant must pay to the director or through the nationwide mortgage licensing system and registry an investigation fee and the license fee in an amount determined by rule of the director to be sufficient to cover the director's costs in administering this chapter.

(4) Each applicant must file and maintain a surety bond, approved by the director, executed by the applicant as obligor and by a surety company authorized to do a surety business in this state as surety, whose liability as such surety must not exceed in the aggregate the penal sum of the bond. The penal sum of the bond must be a minimum of thirty thousand dollars and based on the annual dollar amount of income share agreements originated. The bond must run to the state of Washington as obligee for the use and benefit of the state and of any person or persons who may have a cause of action against the obligor under this chapter. The bond must be conditioned that the obligor as licensee will faithfully conform to and abide by this chapter and all the rules adopted under this chapter. The bond must pay to the state and any person or persons having a cause of action against the obligor all moneys that may become due and owing to the state and those persons under and by virtue of this chapter. The bond must be continuous and may be canceled by the surety upon the surety giving written notice to the director of its intent to cancel the bond. The cancellation is effective forty-five days after the notice is received by the director.

**NEW SECTION. Sec. 10.** (1) The director must issue a license to the applicant to originate income share agreements in accordance with this chapter at the location specified in the application if, after investigation, the director finds that:

- (a) The applicant has paid all required fees;
- (b) The applicant has submitted a complete application in compliance with section 9 of this act;
- (c) Neither the applicant nor its officers or principals have had a license issued under this section, in this state or another state, revoked or suspended within the last five years of the date of filing of the application;
- (d) Neither the applicant nor any of its officers or principals have been convicted of a gross misdemeanor involving dishonesty or financial misconduct or a felony or a violation of the banking laws of this state or of the United States within seven years of the filing of an application; and

(e) The financial responsibility, experience, character, and general fitness of the applicant are such as to command the confidence of the community and to warrant a belief that the business will be operated honestly, fairly, and efficiently within the purposes of this chapter.

- (2) If the director does not find the conditions of subsection (1)

of this section have been met, the director may not issue the license. The director must notify the applicant of the denial and return to the applicant the bond posted and the sum paid by the applicant as a license fee, retaining the investigation fee to cover the costs of investigating the application. The director must approve or deny every application for license under this chapter within ninety days from the filing of a complete application with the fees and the approved bond.

**NEW SECTION. Sec. 11.** The licensee may not maintain more than one place of business under the same license, but the director may issue more than one license to the same licensee upon application by the licensee in a form and manner established by the director.

Whenever a licensee wishes to change the place of business to a street address other than that reported in the nationwide mortgage licensing system and registry, the licensee must give prior written notice to the director, pay the fee, and obtain the director's approval. The license is not transferable or assignable.

**NEW SECTION. Sec. 12.** A licensee must, for each license held by any person, on or before the first day of each March, pay to the director an annual assessment as determined by rule by the director. The licensee must be responsible for payment of the annual assessment for the previous calendar year if the licensee had a license for any time during the preceding calendar year, regardless of whether they surrendered their license during the calendar year or whether their license was suspended or revoked. At the same time the licensee must file with the director the required bond or otherwise demonstrate compliance with section 8 of this act.

**NEW SECTION. Sec. 13.** (1) The director must enforce all laws and rules relating to the licensing and regulation of licensees and persons subject to this chapter.

(2) The director may deny applications for licenses for:

- (a) Failure of the applicant to demonstrate within its application for a license that it meets the requirements for licensing in sections 8 and 9 of this act;
- (b) Violation of an order issued by the director under this chapter or another chapter administered by the director, including but not limited to cease and desist orders and temporary cease and desist orders;

(c) Revocation or suspension of a license to originate income share agreements by this state, another state, or by the federal government within five years of the date of submittal of a complete application for a license; or

(d) Filing an incomplete application when that incomplete application has been filed with the department for sixty or more days, provided that the director has given notice to the licensee that the application is incomplete, informed the applicant why the application is incomplete, and allowed at least twenty days for the applicant to complete the application.

(3) The director may condition, suspend, or revoke a license issued under this chapter if the director finds that:

(a) The licensee has failed to pay any fee due the state of Washington, has failed to maintain in effect the bond or permitted substitute required under this chapter, or has failed to comply with any specific order or demand of the director lawfully made and directed to the licensee in accordance with this chapter;

(b) The licensee, either knowingly or without the exercise of due care, has violated any provision of this chapter or any rule adopted under this chapter;

(c) A fact or condition exists that, if it had existed at the time of the original application for the license, clearly would have allowed the director to deny the application for the original license; or

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

(d) The licensee failed to comply with any directive, order, or subpoena issued by the director under this chapter.

The director may condition, revoke, or suspend only the particular license with respect to which grounds for conditioning, revocation, or suspension may occur or exist or the director may condition, revoke, or suspend all of the licenses issued to the licensee.

(4) The director may impose fines of up to one hundred dollars per day, per violation, upon the licensee, its employee or income share agreement originator, or other person subject to this chapter for:

- (a) Any violation of this chapter; or
- (b) Failure to comply with any directive, order, or subpoena issued by the director under this chapter.

(5) The director may issue an order directing the licensee, its employee, or other person subject to this chapter to:

- (a) Cease and desist from conducting business in a manner that is injurious to the public or violates any provision of this chapter;
- (b) Take such affirmative action as is necessary to comply with this chapter;
- (c) Make a refund or restitution to an individual or other person who is damaged as a result of a violation of this chapter; or
- (d) Refund all fees received through any violation of this chapter.

(6) The director may issue an order removing from office or prohibiting from participation in the affairs of any licensee, or both, any officer, principal, employee, or any person subject to this chapter for:

- (a) False statements or omission of material information from an application for a license that, if known, would have allowed the director to deny the original application for a license;
- (b) Conviction of a gross misdemeanor involving dishonesty or financial misconduct or a felony;
- (c) Suspension or revocation of a license to engage in the origination of income share agreements in this state or another state;
- (d) Failure to comply with any order or subpoena issued under this chapter;
- (e) A violation of this section or section 6 or 16 of this act; or
- (f) Failure to obtain a license for activity that requires a license.

(7) Except to the extent prohibited by another statute, the director may engage in informal settlement of complaints or enforcement actions including, but not limited to, payment to the department for purposes of financial literacy and education programs authorized under RCW 43.320.150. If any person subject to this chapter makes a payment to the department under this section, the person may not advertise the payment.

(8) Whenever the director determines that the public is likely to be substantially injured by delay in issuing a cease and desist order, the director may immediately issue a temporary cease and desist order. The order may direct the licensee to discontinue any violation of this chapter, to take such affirmative action as is necessary to comply with this chapter, and may include a summary suspension of the licensee's license and may order the licensee to immediately cease the conduct of business under this chapter. The order shall become effective at the time specified in the order. Every temporary cease and desist order shall include a provision that a hearing will be held upon request to determine whether the order will become permanent. The hearing must be held within fourteen days of receipt of a request for a hearing unless otherwise specified in chapter 34.05 RCW.

(9) A licensee may surrender a license by delivering to the director written notice of surrender, but the surrender does not affect the licensee's civil or criminal liability, if any, for acts committed before the surrender, including any administrative

action initiated by the director to suspend or revoke a license, impose fines, compel the payment of restitution to individuals or other persons, or exercise any other authority under this chapter. The statute of limitations on actions not subject to RCW 4.16.160 that are brought under this chapter by the director is five years.

(10) The revocation, suspension, or surrender of a license does not impair or affect the obligation of a preexisting lawful contract between the licensee and an individual.

(11) Every license issued under this chapter remains in force and effect until it has been surrendered, revoked, or suspended in accordance with this chapter. However, the director may on his or her own initiative reinstate suspended licenses or issue new licenses to a licensee whose license or licenses have been revoked if the director finds that the licensee meets all the requirements of this chapter.

(12) A license issued under this chapter expires upon the licensee's failure to comply with the annual assessment requirements in section 12 of this act and the rules. The department must provide notice of the expiration to the address of record provided by the licensee. On the fifteenth day after the department provides notice, if the assessment remains unpaid, the license expires. The licensee must receive notice prior to expiration and have the opportunity to stop the expiration as set forth in rule.

**NEW SECTION. Sec. 14.** No licensee may advertise, print, display, publish, distribute, or broadcast or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner whatsoever, any statement or representation with regard to the terms or conditions for income share agreements that is false, misleading, or deceptive.

**NEW SECTION. Sec. 15.** (1) The director or authorized assistants may apply for and obtain a superior court order approving and authorizing a subpoena in advance of its issuance. The application may be made in the county where the subpoenaed person resides or is found, or the county where the subpoenaed documents, records, or evidence are located, or in Thurston county. The application must:

- (a) State that an order is sought under this section;
- (b) Adequately specify the documents, records, evidence, or testimony; and
- (c) Include a declaration made under oath that an investigation is being conducted for a lawfully authorized purpose related to an investigation within the department's authority and that the subpoenaed documents, records, evidence, or testimony are reasonably related to an investigation within the department's authority.

(2) When an application under this section is made to the satisfaction of the court, the court must issue an order approving the subpoena. An order under this subsection constitutes authority of law for the agency to subpoena the documents, records, evidence, or testimony.

(3) The director or authorized assistants may seek approval and a court may issue an order under this section without prior notice to any person, including the person to whom the subpoena is directed and the person who is the subject of an investigation. An application for court approval is subject to the fee and process set forth in RCW 36.18.012(3).

**NEW SECTION. Sec. 16.** (1) For the purpose of discovering violations of this chapter or securing information lawfully required under this chapter, the director may at any time, either personally or by designees, investigate or examine the loans and business and, wherever located, the books, accounts, records, papers, documents, files, and other information used in the business of every licensee and of every person who is engaged in

the business of making or assisting in the making of income share agreements authorized by this chapter, whether the person acts or claims to act as principal or agent, or under or without the authority of this chapter. The director or designated representative:

(a) Must have free access to the employees, offices, places of business, books, accounts, papers, documents, other information, records, files, safes, and vaults of all such persons during normal business hours;

(b) May require the attendance of and examine under oath all persons whose testimony may be required about the income share agreements or the business or the subject matter of any investigation, examination, or hearing and may require such person to produce books, accounts, papers, records, files, and any other information the director or designated persons deem relevant to the inquiry;

(c) May require by directive, subpoena, or any other lawful means the production of original books, accounts, papers, records, files, and other information; may require that such original books, accounts, papers, records, files, and other information be copied; or may make copies of such original books, accounts, papers, records, files, or other information;

(d) May issue a subpoena or subpoena duces tecum requiring attendance by any person identified in this section or compelling production of any books, accounts, papers, records, files, or other documents or information identified in this section.

(2) The director shall make such periodic examinations of the affairs, business, office, and records of each licensee as determined by rule.

(3) Every licensee examined or investigated by the director or the director's designee must pay to the director the cost of the examination or investigation of each licensed place of business as determined by rule by the director.

(4) In order to carry out the purposes of this section, the director may:

(a) Retain attorneys, accountants, or other professionals and specialists as examiners, auditors, or investigators to conduct or assist in the conduct of examinations or investigations;

(b) Enter into agreements or relationships with other government officials or regulatory associations in order to improve efficiencies and reduce regulatory burden by sharing resources, standardized or uniform methods or procedures, and documents, records, information, or evidence obtained under this section;

(c) Use, hire, contract, or employ public or privately available analytical systems, methods, or software to examine or investigate the licensee, individual, or person subject to chapter 120, Laws of 2009;

(d) Accept and rely on examination or investigation reports made by other government officials, within or without this state;

(e) Accept audit reports made by an independent certified public accountant for the licensee in the course of that part of the examination covering the same general subject matter as the audit and may incorporate the audit report in the report of the examination, report of investigation, or other writing of the director; or

(f) Assess the licensee the cost of the services in (a) of this subsection.

**NEW SECTION. Sec. 17.** (1)(a) The licensee must keep and use in the business such books, accounts, records, papers, documents, files, and other information as will enable the director to determine whether the licensee is complying with this chapter and with the rules adopted by the director under this chapter.

(b) The director must have free access to such books, accounts, records, papers, documents, files, and other information wherever

located.

(c) Every licensee must preserve the books, accounts, records, papers, documents, files, and other information relevant to an income share agreement for at least three years after the last payment is made pursuant to such agreement.

(d) No licensee or person subject to examination or investigation under this chapter may withhold, abstract, remove, mutilate, destroy, or secrete any books, accounts, records, papers, documents, files, or other information.

(2) Each licensee must, on or before the first day of March of each year, file a report with the director giving such relevant information as the director may reasonably require concerning the business and operations of each licensed place of business conducted during the preceding calendar year. The report must be made under oath and must be in the form prescribed by the director, who must make and publish annually an analysis and recapitulation of the reports. Every licensee that fails to file a report that is required to be filed by this chapter within the time required under this chapter is subject to a penalty of fifty dollars per day for each day's delay. The attorney general may bring a civil action in the name of the state for recovery of any such penalty.

**NEW SECTION. Sec. 18.** (1) The director has the power, and broad administrative discretion, to administer and interpret this chapter to facilitate the delivery of financial services to the citizens of this state by income share agreement originators subject to this chapter. The director must adopt all rules necessary to administer this chapter and to ensure complete and full disclosure by licensees of lending transactions governed by this chapter.

(2) If it appears to the director that a licensee is conducting business in an injurious manner or is violating any provision of this chapter, the director may order or direct the discontinuance of any such injurious or illegal practice.

(3) For purposes of this section, "conducting business in an injurious manner" means conducting business in a manner that violates any provision of this chapter, or that creates the reasonable likelihood of a violation of any provision of this chapter.

(4) The director or designated persons, with or without prior administrative action, may bring an action in superior court to enjoin the acts or practices that constitute violations of this chapter and to enforce compliance with this chapter or any rule or order made under this chapter. Upon proper showing, injunctive relief or a temporary restraining order shall be granted. The director must not be required to post a bond in any court proceedings.

**NEW SECTION. Sec. 19.** (1) A person who violates, or knowingly aids or abets in the violation of any provision of this chapter, for which no penalty has been prescribed, and a person who fails to perform any act that it is his or her duty to perform under this chapter and for which failure no penalty has been prescribed, is guilty of a gross misdemeanor.

(2) No provision imposing civil penalties or criminal liability under this chapter or rule adopted under this chapter applies to an act taken or omission made in good faith in conformity with a written notice, interpretation, or examination report of the director or his or her agent.

**NEW SECTION. Sec. 20.** The proceedings for denying license applications, issuing cease and desist orders, suspending or revoking licenses, and imposing civil penalties or other remedies under this chapter, and any review or appeal of such action, is governed by the administrative procedure act, chapter 34.05 RCW.

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

**NEW SECTION. Sec. 21.** (1) The director or designated persons may, at his or her discretion, take any action as provided for in this chapter to enforce this chapter. If the person subject to this action does not appear in person or by counsel at the time and place designated for any administrative hearing that may be held on the action, then the person is deemed to consent to the action. If the person subject to the action consents, or if after hearing the director finds by a preponderance of the evidence that any grounds for sanctions under this chapter exist, then the director may impose any sanction authorized by this chapter.

(2) The director may recover the state's costs and expenses for prosecuting violations of this chapter including staff time spent preparing for and attending administrative hearings and reasonable attorneys' fees unless, after a hearing, the director determines no violation occurred.

**NEW SECTION. Sec. 22.** Any income share agreement originated by an unlicensed person as prohibited under this chapter is unenforceable in Washington.

**NEW SECTION. Sec. 23.** The legislature finds that the practices governed by this chapter are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. Any violation of this chapter is not reasonable in relation to the development and preservation of business and is an unfair and deceptive act or practice and unfair method of competition in the conduct of trade or commerce in violation of RCW 19.86.020. Remedies provided by chapter 19.86 RCW are cumulative and not exclusive.

**Sec. 24.** RCW 31.04.025 and 2015 c 229 s 20 are each amended to read as follows:

(1) Each loan made to a resident of this state by a licensee, or persons subject to this chapter, is subject to the authority and restrictions of this chapter.

(2) This chapter does not apply to the following:

(a) Any person doing business under, and as permitted by, any law of this state or of the United States relating to banks, savings banks, trust companies, savings and loan or building and loan associations, or credit unions;

(b) Entities making loans under chapter 19.60 RCW (pawnbroking);

(c) Entities conducting transactions under chapter 63.14 RCW (retail installment sales of goods and services), unless credit is extended to purchase merchandise certificates, coupons, open or closed loop stored value, or other similar items issued and redeemable by a retail seller other than the retail seller extending the credit;

(d) Entities making loans under chapter 31.45 RCW (check cashers and sellers);

(e) Any person making a loan primarily for business, commercial, or agricultural purposes unless the loan is secured by a lien on the borrower's primary dwelling;

(f) Any person selling property owned by that person who provides financing for the sale when the property does not contain a dwelling and when the property serves as security for the financing. This exemption is available for five or fewer transactions in a calendar year. This exemption is not available to individuals subject to the federal S.A.F.E. act or any person in the business of constructing or acting as a contractor for the construction of residential dwellings;

(g) Any person making loans made to government or government agencies or instrumentalities or making loans to organizations as defined in the federal truth in lending act;

(h) Entities making loans under chapter 43.185 RCW (housing trust fund);

(i) Entities making loans under programs of the United States

department of agriculture, department of housing and urban development, or other federal government program that provides funding or access to funding for single-family housing developments or grants to low-income individuals for the purchase or repair of single-family housing;

(j) Nonprofit housing organizations making loans, or loans made, under housing programs that are funded in whole or in part by federal or state programs if the primary purpose of the programs is to assist low-income borrowers with purchasing or repairing housing or the development of housing for low-income Washington state residents;

(k) Entities making loans which are not residential mortgage loans under a credit card plan;

(l) Individuals employed by a licensed residential mortgage loan servicing company engaging in activities related to servicing, unless licensing is required by federal law or regulation; (~~and~~)

(m) Entities licensed under chapter 18.44 RCW that process payments on seller-financed loans secured by liens on real or personal property; and

(n) Entities licensed under chapter 31.--- RCW (the new chapter created in section 27 of this act) that originate income share agreements.

(3) The director may, at his or her discretion, waive applicability of the consumer loan company licensing provisions of this chapter to other persons, not including individuals subject to the S.A.F.E. act, making or servicing loans when the director determines it necessary to facilitate commerce and protect consumers.

(4) The burden of proving the application for an exemption or exception from a definition, or a preemption of a provision of this chapter, is upon the person claiming the exemption, exception, or preemption.

(5) The director may adopt rules interpreting this section.

**Sec. 25.** RCW 19.52.080 and 1981 c 78 s 2 are each amended to read as follows:

Profit and nonprofit corporations, Massachusetts trusts, associations, trusts, general partnerships, joint ventures, limited partnerships, and governments and governmental subdivisions, agencies, or instrumentalities may not plead the defense of usury nor maintain any action thereon or therefor, and persons may not plead the defense of usury nor maintain any action thereon or therefor if the transaction was primarily for agricultural, commercial, investment, or business purposes(~~(-PROVIDED, HOWEVER, That)~~). Except for income share agreements, as defined in section 2 of this act, this section shall not apply to a consumer transaction of any amount.

Consumer transactions, as used in this section, shall mean transactions primarily for personal, family, or household purposes.

**Sec. 26.** RCW 21.20.320 and 2006 c 220 s 1 are each amended to read as follows:

The following transactions are exempt from RCW 21.20.040 through 21.20.300 and 21.20.327 except as expressly provided:

(1) Any isolated transaction, or sales not involving a public offering, whether effected through a broker-dealer or not; or any transaction effected in accordance with any rule by the director establishing a nonpublic offering exemption pursuant to this subsection where registration is not necessary or appropriate in the public interest or for the protection of investors.

(2) Any nonissuer transaction by a registered salesperson of a registered broker-dealer, and any resale transaction by a sponsor of a unit investment trust registered under the Investment Company Act of 1940 pursuant to any rule adopted by the

director.

(3) Any nonissuer transaction effected by or through a registered broker-dealer pursuant to an unsolicited order or offer to buy; but the director may by rule require that the customer acknowledge upon a specified form that the sale was unsolicited, and that a signed copy of each such form be preserved by the broker-dealer for a specified period.

(4) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter, or among underwriters.

(5) Any transaction in a bond or other evidence of indebtedness secured by a real or chattel mortgage or deed of trust, or by an agreement for the sale of real estate or chattels, if the entire mortgage, deed of trust, or agreement, together with all the bonds or other evidences of indebtedness secured thereby, is offered and sold as a unit. A bond or other evidence of indebtedness is not offered and sold as a unit if the transaction involves:

(a) A partial interest in one or more bonds or other evidences of indebtedness secured by a real or chattel mortgage or deed of trust, or by an agreement for the sale of real estate or chattels; or

(b) One of multiple bonds or other evidences of indebtedness secured by one or more real or chattel mortgages or deeds of trust, or agreements for the sale of real estate or chattels, sold to more than one purchaser as part of a single plan of financing; or

(c) A security including an investment contract other than the bond or other evidence of indebtedness.

(6) Any transaction by an executor, administrator, sheriff, marshal, receiver, trustee in bankruptcy, guardian, or conservator.

(7) Any transaction executed by a bona fide pledgee without any purpose of evading this chapter.

(8) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

(9) Any transaction effected in accordance with the terms and conditions of any rule adopted by the director if:

(a) The aggregate offering amount does not exceed five million dollars; and

(b) The director finds that registration is not necessary in the public interest and for the protection of investors.

(10) Any offer or sale of a preorganization certificate or subscription if (a) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective subscriber, (b) the number of subscribers does not exceed ten, and (c) no payment is made by any subscriber.

(11) Any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, nontransferable warrants, or transferable warrants exercisable within not more than ninety days of their issuance, if (a) no commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in this state, or (b) the issuer first files a notice specifying the terms of the offer and the director does not by order disallow the exemption within the next five full business days.

(12) Any offer (but not a sale) of a security for which registration statements have been filed under both this chapter and the Securities Act of 1933 if no stop order or refusal order is in effect and no public proceeding or examination looking toward such an order is pending under either act.

(13) The issuance of any stock dividend, whether the corporation distributing the dividend is the issuer of the stock or not, if nothing of value is given by stockholders for the distribution other than the surrender of a right to a cash dividend

where the stockholder can elect to take a dividend in cash or stock.

(14) Any transaction incident to a right of conversion or a statutory or judicially approved reclassification, recapitalization, reorganization, quasi reorganization, stock split, reverse stock split, merger, consolidation, or sale of assets.

(15) The offer or sale by a registered broker-dealer, or a person exempted from the registration requirements pursuant to RCW 21.20.040, acting either as principal or agent, of securities previously sold and distributed to the public: PROVIDED, That:

(a) Such securities are sold at prices reasonably related to the current market price thereof at the time of sale, and, if such broker-dealer is acting as agent, the commission collected by such broker-dealer on account of the sale thereof is not in excess of usual and customary commissions collected with respect to securities and transactions having comparable characteristics;

(b) Such securities do not constitute the whole or a part of an unsold allotment to or subscription or participation by such broker-dealer as an underwriter of such securities or as a participant in the distribution of such securities by the issuer, by an underwriter or by a person or group of persons in substantial control of the issuer or of the outstanding securities of the class being distributed; and

(c) The security has been lawfully sold and distributed in this state or any other state of the United States under this or any act regulating the sale of such securities.

(16) Any transaction by a mutual or cooperative association meeting the requirements of (a) and (b) of this subsection:

(a) The transaction:

(i) Does not involve advertising or public solicitation; or

(ii) Involves advertising or public solicitation, and:

(A) The association first files a notice of claim of exemption on a form prescribed by the director specifying the terms of the offer and the director does not by order deny the exemption within the next ten full business days; or

(B) The association is an employee cooperative and identifies itself as an employee cooperative in advertising or public solicitation.

(b) The transaction involves an instrument or interest, that:

(i)(A) Qualifies its holder to be a member or patron of the association;

(B) Represents a contribution of capital to the association by a person who is or intends to become a member or patron of the association;

(C) Represents a patronage dividend or other patronage allocation; or

(D) Represents the terms or conditions by which a member or patron purchases, sells, or markets products, commodities, or services from, to, or through the association; and

(ii) Is nontransferable except in the case of death, operation of law, bona fide transfer for security purposes only to the association, a bank, or other financial institution, intrafamily transfer, transfer to an existing member or person who will become a member, or transfer by gift to any person organized and operated as a nonprofit organization as defined in RCW 84.36.800(4) that also possesses a current tax exempt status under the laws of the United States, and, in the case of an instrument, so states conspicuously on its face.

(17) Any income share agreement entered into pursuant to chapter 31.--- RCW (the new chapter created in section 27 of this act). However, any solicitation, offer, or sale of interest in an income share agreement made pursuant to chapter 31.--- RCW (the new chapter created in section 27 of this act) is not exempt.

(18) Any transaction effected in accordance with any rule adopted by the director establishing a limited offering exemption which furthers objectives of compatibility with federal exemptions and uniformity among the states, provided that in

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

adopting any such rule the director may require that no commission or other remuneration be paid or given to any person, directly or indirectly, for effecting sales unless the person is registered under this chapter as a broker-dealer or salesperson.

**NEW SECTION. Sec. 27.** Sections 1 through 23 of this act constitute a new chapter in Title 31 RCW.

**NEW SECTION. Sec. 28.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Council" means the Washington student achievement council.

(2) "Financial institution" has the same meaning as in RCW 7.88.010.

(3) "Interest rate buy down incentive" means the use of state funds to enable qualified borrowers to receive below market rate interest rates for the purposes of this chapter.

(4) "Loan loss reserve coverage" means partial risk coverage to financial institutions to cover losses on qualified loans according to the terms set forth in the contract between the agency and the financial institution for the purposes of this chapter.

(5) "Program" means the Washington student loan refinancing program.

(6) "Qualified borrower" means an individual meeting all of the following requirements:

(a) Resident of the state of Washington;

(b) Completion of an associate's, bachelor's, graduate, or professional degree and the receipt of a certificate, diploma, or degree from a trade, career, or technical school; and

(c) Other criteria as deemed appropriate by the council.

(7) "Qualified loan" means a loan or a portion of a loan made by a financial institution to a qualified borrower to refinance an existing student loan under the program. Only a loan determined by the financial institution to be an educational loan that is nondischargeable in bankruptcy as set forth in 11 U.S.C. Sec. 523 as it existed on January 14, 2019, shall be a qualified loan eligible for refinancing. A qualified loan made under the program shall:

(a) Carry a contractual interest rate at least one-quarter of one percentage point lower than the loan being refinanced, and may be made with the interest rates, fees, and other terms and conditions agreed upon by the financial institution and the qualified borrower; and

(b) Specify that an individual's obligation under a qualified loan must be discharged if the individual dies, based on the following:

(i) An original or certified copy of the individual's death certificate;

(ii) An accurate and complete photocopy of the original or certified copy of the individual's death certificate;

(iii) An accurate and complete original or certified copy of the individual's death certificate that is scanned and submitted electronically or sent by facsimile transmission; or

(iv) Verification of the individual's death through an authoritative federal or state electronic database approved for use by the council.

(8) This section expires July 1, 2029.

**NEW SECTION. Sec. 29.** (1) Subject to amounts appropriated specifically for this purpose, the Washington student loan refinancing program is created.

(2) The program shall be administered by the council. To execute the program the council shall contract with up to five financial institutions. The financial institutions, in consultation with the council, may leverage the interest rate buy down incentive or the loan loss reserve coverage, or some combination thereof, to refinance existing student loans. In administering the

program, the council may:

(a) Impose reasonable limits on the terms of qualified loans;

(b) Impose reasonable limits on the terms of qualified borrowers;

(c) Impose reasonable limits on the use of state funds for the marketing on qualified loan products by financial institutions;

(d) Establish minimum reporting requirements for financial institutions participating in the program;

(e) Establish minimum required disclosures by financial institutions for qualified loans. At a minimum, the disclosures must notify qualified borrowers of the:

(i) Loss of borrower protections including income contingent repayment and public service loan forgiveness options if the qualified borrower is refinancing a federal student loan under this chapter; and

(ii) Estimated total cost of the qualified loan, including accrued interest under this chapter;

(f) Appoint and use advisory committees and the department of financial institutions as needed to provide program guidance and direction;

(g) Formulate and adopt all other policies and rules necessary for the efficient administration of the program;

(h) Make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise and discharge of its powers and duties under this chapter; and

(i) Perform all acts necessary and proper to carry out the duties and responsibilities of the program under this chapter.

(3) On a biennial basis beginning July 1, 2020, the council must report to the appropriate committees of the legislature the:

(a) Number of financial institutions currently under contract through the program;

(b) Number of qualified student loans successfully refinanced under the program;

(c) Qualified borrower requirements established by the council and the financial institutions;

(d) Demographic information for borrowers that includes gender, race or ethnicity, income level, and geography; and

(e) Estimated total savings by qualified borrowers with qualified loans as defined by the difference between what the student would have paid under the existing loan and what the student would pay when given the option to refinance.

(4) This section expires July 1, 2029.

**NEW SECTION. Sec. 30.** Sections 28 and 29 of this act constitute a new chapter in Title 28B RCW.

**NEW SECTION. Sec. 31.** This act may be known and cited as the student loan relief and reform act."

On page 1, line 1 of the title, after "relief;" strike the remainder of the title and insert "amending RCW 31.04.025, 19.52.080, and 21.20.320; adding a new chapter to Title 31 RCW; adding a new chapter to Title 28B RCW; creating a new section; providing expiration dates; and prescribing penalties."

Senator Zeiger spoke in favor of adoption of the striking amendment.

Senator Liias spoke against adoption of the striking amendment.

The President Pro Tempore declared the question before the Senate to be the adoption of striking amendment no. 172 by Senator Zeiger on page , line to Second Substitute Senate Bill No. 5774.

The motion by Senator Zeiger did not carry and striking amendment no. 172 was not adopted by voice vote.

MOTION

On motion of Senator Liias, the rules were suspended, Second Substitute Senate Bill No. 5774 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Liias and Holy spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5774.

#### ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5774 and the bill passed the Senate by the following vote: Yeas, 40; Nays, 8; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hawkins, Hobbs, Holy, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senators Bailey, Becker, Ericksen, Fortunato, Hasegawa, Honeyford, Padden and Short

Excused: Senator Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5774, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5356, by Senators Wilson, C., Randall, Das, Saldaña, Darneille, Pedersen, Liias, Nguyen, Cleveland, Dhingra and Hunt

Establishing the Washington state LGBTQ commission.

#### MOTION

On motion of Senator Wilson, C., Second Substitute Senate Bill No. 5356 was substituted for Senate Bill No. 5356 and the substitute bill was placed on the second reading and read the second time.

#### MOTION

Senator Randall moved that the following amendment no. 164 by Senator Randall be adopted:

On page 3, line 11, after "homelessness;" strike "and"

On page 3, line 12, after "development;" insert "and

(vi) Veterans, their spouses, and dependents;"

Senators Randall and Wilson, C. spoke in favor of adoption of the amendment.

The President Pro Tempore declared the question before the Senate to be the adoption of amendment no. 164 by Senator Randall on page 3, line 11 to Second Substitute Senate Bill No. 5356.

The motion by Senator Randall carried and amendment no. 164 was adopted by voice vote.

#### MOTION

On motion of Senator Wilson, C., the rules were suspended,

Engrossed Second Substitute Senate Bill No. 5356 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Wilson, C. spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5356.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5356 and the bill passed the Senate by the following vote: Yeas, 34; Nays, 14; Absent, 0; Excused, 1.

Voting yea: Senators Becker, Billig, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Sheldon, Takko, Van De Wege, Warnick, Wellman, Wilson, C. and Wilson, L.

Voting nay: Senators Bailey, Braun, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, O'Ban, Padden, Schoesler, Short, Wagoner and Zeiger

Excused: Senator Walsh

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5356, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5873, by Senators Hawkins and Van De Wege

Concerning community forests. Revised for 2nd Substitute: Establishing a community forests pilot project.

#### MOTIONS

On motion of Senator Hawkins, Second Substitute Senate Bill No. 5873 was substituted for Senate Bill No. 5873 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Hawkins, the rules were suspended, Second Substitute Senate Bill No. 5873 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hawkins and Van De Wege spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Wilson, C., Senators Frockt and Palumbo were excused.

The President Pro Tempore declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5873.

#### ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5873 and the bill passed the Senate by the following vote: Yeas, 41; Nays, 5; Absent, 0; Excused, 3.

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

Voting yea: Senators Bailey, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Fortunato, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Pedersen, Randall, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senators Becker, Ericksen, Padden, Rivers and Short

Excused: Senators Frockt, Palumbo and Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5873, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5437, by Senators Wilson, C., Palumbo, Wellman, Hunt, Saldaña, Nguyen, Randall, Das, Billig, Mullet, Darneille, Dhingra, Hasegawa, Kuderer and Takko

Expanding eligibility to the early childhood education and assistance program.

#### MOTIONS

On motion of Senator Wilson, C., Second Substitute Senate Bill No. 5437 was substituted for Senate Bill No. 5437 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Wilson, C., the rules were suspended, Second Substitute Senate Bill No. 5437 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wilson, C. and Lovelett spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5437.

#### ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5437 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senator Padden

Excused: Senator Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5437, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5082, by Senators McCoy, Hasegawa, Kuderer and Saldaña

Creating a committee to promote and expand social emotional learning. Revised for 2nd Substitute: Promoting and expanding social emotional learning.

#### MOTIONS

On motion of Senator McCoy, Second Substitute Senate Bill No. 5082 was substituted for Senate Bill No. 5082 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator McCoy, the rules were suspended, Second Substitute Senate Bill No. 5082 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator McCoy spoke in favor of passage of the bill.

Senator Hawkins spoke against passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5082.

#### ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5082 and the bill passed the Senate by the following vote: Yeas, 30; Nays, 18; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Sheldon, Takko, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, O'Ban, Padden, Schoesler, Short, Wagoner, Warnick, Wilson, L. and Zeiger

Excused: Senator Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5082, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5089, by Senators Wellman, Darneille, Palumbo, Wilson, C., Kuderer and Saldaña

Increasing early learning access for children ages thirty months and older with developmental delays or disabilities. Revised for 1st Substitute: Increasing early learning access for children ages three and older.

#### MOTIONS

On motion of Senator Wellman, Substitute Senate Bill No. 5089 was substituted for Senate Bill No. 5089 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Wellman, the rules were suspended, Substitute Senate Bill No. 5089 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman and Hawkins spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5089.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5089 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senator Walsh

SUBSTITUTE SENATE BILL NO. 5089, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5815, by Senators Nguyen, Darneille, Wilson, C., Saldaña, Das, Keiser and Kuderer

Concerning individuals placed in minimum security status by the department of children, youth, and families.

#### MOTIONS

On motion of Senator Nguyen, Substitute Senate Bill No. 5815 was substituted for Senate Bill No. 5815 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Nguyen, the rules were suspended, Substitute Senate Bill No. 5815 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Nguyen, O'Ban and Padden spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5815.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5815 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Short, Takko, Van De Wege, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senator Wagoner

Excused: Senator Walsh

SUBSTITUTE SENATE BILL NO. 5815, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### PERSONAL PRIVILEGE

Senator Wellman: "May I apologize to the body for having been absent for the vote on my own bill? I do, really do apologize. I just have too many things going on apparently."

#### SECOND READING

SENATE BILL NO. 5638, by Senate Committee on Environment, Energy & Technology (originally sponsored by Brown, Rivers, Becker and Short)

Recognizing the validity of distributed ledger technology.

#### MOTIONS

On motion of Senator Brown, Substitute Senate Bill No. 5638 was substituted for Senate Bill No. 5638 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Brown, the rules were suspended, Substitute Senate Bill No. 5638 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Brown and Carlyle spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Wilson, C., Senator Randall was excused.

The President Pro Tempore declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5638.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5638 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 2; Excused, 1.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Salomon, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Absent: Senators Liias and Saldaña

Excused: Senator Walsh

SUBSTITUTE SENATE BILL NO. 5638, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5120, by Senators Palumbo, Darneille, Mullet, Nguyen, Hunt, Saldaña, Liias, Carlyle, Frockt, Hasegawa and Kuderer

Contracting with private correctional facilities for the transfer or placement of offenders. Revised for 2nd Substitute: Contracting with for-profit correctional facilities for the transfer or placement of offenders.

MOTION

On motion of Senator Palumbo, Second Substitute Senate Bill No. 5120 was substituted for Senate Bill No. 5120 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Palumbo moved that the following amendment no. 158 by Senator Palumbo be adopted:

On page 4, beginning on line 21, after “families,” strike all material through “sheriff” on line 22 and insert “any county government, city government, or county sheriff’s department”

Senator Palumbo spoke in favor of adoption of the amendment. The President Pro Tempore declared the question before the Senate to be the adoption of amendment no. 158 by Senator Palumbo on page 4, line 21 to Second Substitute Senate Bill No. 5120.

The motion by Senator Palumbo carried and amendment no. 158 was adopted by voice vote.

MOTION

On motion of Senator Palumbo, the rules were suspended, Engrossed Second Substitute Senate Bill No. 5120 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Palumbo, Padden and Dhingra spoke in favor of passage of the bill.

Senator Ericksen spoke against passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5120.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5120 and the bill passed the Senate by the following vote: Yeas, 30; Nays, 18; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Takko, Van De Wege, Wagoner, Wellman and Wilson, C.

Voting nay: Senators Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, O’Ban, Padden, Schoesler, Sheldon, Short, Warnick, Wilson, L. and Zeiger

Excused: Senator Walsh

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5120, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5433, by Senators Wilson, C., Nguyen, Das, Darneille, Dhingra, Hasegawa, Kuderer and Saldaña

Providing postsecondary education opportunities to enhance

public safety.

MOTIONS

On motion of Senator Wilson, C., Second Substitute Senate Bill No. 5433 was substituted for Senate Bill No. 5433 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Wilson, C., the rules were suspended, Second Substitute Senate Bill No. 5433 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wilson, C., O’Ban, Holy and Dhingra spoke in favor of passage of the bill.

Senators Padden and Wagoner spoke against passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5433.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5433 and the bill passed the Senate by the following vote: Yeas, 36; Nays, 11; Absent, 1; Excused, 1.

Voting yea: Senators Bailey, Becker, Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Holy, Hunt, Keiser, King, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, O’Ban, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Takko, Van De Wege, Warnick, Wellman, Wilson, C. and Zeiger

Voting nay: Senators Braun, Brown, Ericksen, Fortunato, Hawkins, Honeyford, Padden, Schoesler, Short, Wagoner and Wilson, L.

Absent: Senator Sheldon

Excused: Senator Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5433, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5485, by Senators Darneille, Cleveland and Conway

Licensing of music therapists.

MOTION

On motion of Senator Darneille, Substitute Senate Bill No. 5485 was substituted for Senate Bill No. 5485 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Darneille moved that the following amendment no. 062 by Senator Darneille be adopted:

On page 6, line 23, after “RCW.” insert “The rules must include procedures for expediting the issuance of a license to military personnel.”

Senator Darneille spoke in favor of adoption of the amendment. The President Pro Tempore declared the question before the Senate to be the adoption of amendment no. 062 by Senator Darneille on page 6, line 23 to Substitute Senate Bill No. 5485.

The motion by Senator Darneille carried and amendment no. 062 was adopted by voice vote.

#### MOTION

On motion of Senator Darneille, the rules were suspended, Engrossed Substitute Senate Bill No. 5485 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Darneille spoke in favor of passage of the bill.  
Senator Becker spoke against passage of the bill.

#### MOTION

On motion of Senator Wilson, C., Senators Nguyen and Randall were excused.

Senator Conway spoke against passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5485.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5485 and the bill passed the Senate by the following vote: Yeas, 30; Nays, 15; Absent, 0; Excused, 4.

Voting yea: Senators Bailey, Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Fortunato, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, Lovelett, McCoy, Mullet, O'Ban, Palumbo, Pedersen, Rolfes, Saldaña, Salomon, Takko, Van De Wege, Wagoner, Wellman and Wilson, C.

Voting nay: Senators Becker, Braun, Brown, Ericksen, Hawkins, Holy, Honeyford, King, Padden, Rivers, Schoesler, Short, Warnick, Wilson, L. and Zeiger

Excused: Senators Nguyen, Randall, Sheldon and Walsh

ENGROSSED SUBSTITUTE SENATE BILL NO. 5485, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5503, by Senators Das, Fortunato and Takko

Concerning state board of health rules regarding on-site sewage systems.

The measure was read the second time.

#### MOTION

On motion of Senator Das, the rules were suspended, Senate Bill No. 5503 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Das spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Kuderer, Senator Kuderer was excused.

The President Pro Tempore declared the question before the Senate to be the final passage of Senate Bill No. 5503.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5503 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senators Sheldon and Walsh

SENATE BILL NO. 5503, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

On motion of Senator Rivers, Senator Fortunato was excused.

#### SECOND READING

SENATE BILL NO. 5383, by Senators Zeiger, Palumbo, Nguyen, Short, Van De Wege, Wilson, C., Wilson and L.

Concerning tiny houses.

#### MOTION

On motion of Senator Zeiger, Substitute Senate Bill No. 5383 was substituted for Senate Bill No. 5383 and the substitute bill was placed on the second reading and read the second time.

#### MOTION

Senator Zeiger moved that the following striking amendment no. 052 by Senator Zeiger be adopted:

Strike everything after the enacting clause and insert the following:

**“NEW SECTION. Sec. 1.** Tiny houses have become a trend across the nation to address the shortage of affordable housing. As tiny houses become more acceptable, the legislature finds that it is important to create space in the code for the regulation of tiny house siting. Individual cities and counties may allow tiny houses with wheels to be collected together as tiny house villages using the binding site plan method articulated in chapter 58.17 RCW.

**Sec. 2.** RCW 58.17.040 and 2004 c 239 s 1 are each amended to read as follows:

The provisions of this chapter shall not apply to:

(1) Cemeteries and other burial plots while used for that purpose;

(2) Divisions of land into lots or tracts each of which is one-hundred twenty-eighth of a section of land or larger, or five acres or larger if the land is not capable of description as a fraction of a section of land, unless the governing authority of the city, town, or county in which the land is situated shall have adopted a subdivision ordinance requiring plat approval of such divisions:

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

PROVIDED, That for purposes of computing the size of any lot under this item which borders on a street or road, the lot size shall be expanded to include that area which would be bounded by the center line of the road or street and the side lot lines of the lot running perpendicular to such center line;

(3) Divisions made by testamentary provisions, or the laws of descent;

(4) Divisions of land into lots or tracts classified for industrial or commercial use when the city, town, or county has approved a binding site plan for the use of the land in accordance with local regulations;

(5) A division for the purpose of lease when no residential structure other than mobile homes, tiny houses or tiny houses with wheels as defined in section 6 of this act, or travel trailers are permitted to be placed upon the land when the city, town, or county has approved a binding site plan for the use of the land in accordance with local regulations;

(6) A division made for the purpose of alteration by adjusting boundary lines, between platted or unplatted lots or both, which does not create any additional lot, tract, parcel, site, or division nor create any lot, tract, parcel, site, or division which contains insufficient area and dimension to meet minimum requirements for width and area for a building site;

(7) Divisions of land into lots or tracts if: (a) Such division is the result of subjecting a portion of a parcel or tract of land to either chapter 64.32 or 64.34 RCW subsequent to the recording of a binding site plan for all such land; (b) the improvements constructed or to be constructed thereon are required by the provisions of the binding site plan to be included in one or more condominiums or owned by an association or other legal entity in which the owners of units therein or their owners' associations have a membership or other legal or beneficial interest; (c) a city, town, or county has approved the binding site plan for all such land; (d) such approved binding site plan is recorded in the county or counties in which such land is located; and (e) the binding site plan contains thereon the following statement: "All development and use of the land described herein shall be in accordance with this binding site plan, as it may be amended with the approval of the city, town, or county having jurisdiction over the development of such land, and in accordance with such other governmental permits, approvals, regulations, requirements, and restrictions that may be imposed upon such land and the development and use thereof. Upon completion, the improvements on the land shall be included in one or more condominiums or owned by an association or other legal entity in which the owners of units therein or their owners' associations have a membership or other legal or beneficial interest. This binding site plan shall be binding upon all now or hereafter having any interest in the land described herein." The binding site plan may, but need not, depict or describe the boundaries of the lots or tracts resulting from subjecting a portion of the land to either chapter 64.32 or 64.34 RCW. A site plan shall be deemed to have been approved if the site plan was approved by a city, town, or county: (i) In connection with the final approval of a subdivision plat or planned unit development with respect to all of such land; or (ii) in connection with the issuance of building permits or final certificates of occupancy with respect to all of such land; or (iii) if not approved pursuant to (i) and (ii) of this subsection (7)(e), then pursuant to such other procedures as such city, town, or county may have established for the approval of a binding site plan;

(8) A division for the purpose of leasing land for facilities providing personal wireless services while used for that purpose. "Personal wireless services" means any federally licensed personal wireless service. "Facilities" means unstaffed facilities

that are used for the transmission or reception, or both, of wireless communication services including, but not necessarily limited to, antenna arrays, transmission cables, equipment shelters, and support structures; and

(9) A division of land into lots or tracts of less than three acres that is recorded in accordance with chapter 58.09 RCW and is used or to be used for the purpose of establishing a site for construction and operation of consumer-owned or investor-owned electric utility facilities. For purposes of this subsection, "electric utility facilities" means unstaffed facilities, except for the presence of security personnel, that are used for or in connection with or to facilitate the transmission, distribution, sale, or furnishing of electricity including, but not limited to, electric power substations. This subsection does not exempt a division of land from the zoning and permitting laws and regulations of cities, towns, counties, and municipal corporations. Furthermore, this subsection only applies to electric utility facilities that will be placed into service to meet the electrical needs of a utility's existing and new customers. New customers are defined as electric service locations not already in existence as of the date that electric utility facilities subject to the provisions of this subsection are planned and constructed.

**Sec. 3.** RCW 35.21.684 and 2009 c 79 s 1 are each amended to read as follows:

(1) A city or town may not adopt an ordinance that has the effect, directly or indirectly, of discriminating against consumers' choices in the placement or use of a home in such a manner that is not equally applicable to all homes. Homes built to 42 U.S.C. Sec. 5401-5403 standards (as amended in 2000) must be regulated for the purposes of siting in the same manner as site built homes, factory built homes, or homes built to any other state construction or local design standard. However, except as provided in subsection (2) of this section, any city or town may require that:

(a) A manufactured home be a new manufactured home;

(b) The manufactured home be set upon a permanent foundation, as specified by the manufacturer, and that the space from the bottom of the home to the ground be enclosed by concrete or an approved concrete product which can be either load bearing or decorative;

(c) The manufactured home comply with all local design standards applicable to all other homes within the neighborhood in which the manufactured home is to be located;

(d) The home is thermally equivalent to the state energy code; and

(e) The manufactured home otherwise meets all other requirements for a designated manufactured home as defined in RCW 35.63.160.

A city with a population of one hundred thirty-five thousand or more may choose to designate its building official as the person responsible for issuing all permits, including department of labor and industries permits issued under chapter 43.22 RCW in accordance with an interlocal agreement under chapter 39.34 RCW, for alterations, remodeling, or expansion of manufactured housing located within the city limits under this section.

(2) A city or town may not adopt an ordinance that has the effect, directly or indirectly, of restricting the location of manufactured/mobile homes in manufactured/mobile home communities that were legally in existence before June 12, 2008, based exclusively on the age or dimensions of the manufactured/mobile home. This does not preclude a city or town from restricting the location of a manufactured/mobile home in manufactured/mobile home communities for any other reason including, but not limited to, failure to comply with fire, safety, or other local ordinances or state laws related to manufactured/mobile homes.

(3) Except as provided under subsection (4) of this section, a city or town may not adopt an ordinance that has the effect, directly or indirectly, of preventing the entry or requiring the removal of a recreational vehicle or tiny house with wheels as defined in section 6 of this act used as a primary residence in manufactured/mobile home communities.

(4) Subsection (3) of this section does not apply to any local ordinance or state law that:

(a) Imposes fire, safety, or other regulations related to recreational vehicles;

(b) Requires utility hookups in manufactured/mobile home communities to meet state or federal building code standards for manufactured/mobile home communities; or

(c) Includes both of the following provisions:

(i) A recreational vehicle or tiny house with wheels as defined in section 6 of this act must contain at least one internal toilet and at least one internal shower; and

(ii) If the requirement in (c)(i) of this subsection is not met, a manufactured/mobile home community must provide toilets and showers.

(5) For the purposes of this section, “manufactured/mobile home community” has the same meaning as in RCW 59.20.030.

(6) This section does not override any legally recorded covenants or deed restrictions of record.

(7) This section does not affect the authority granted under chapter 43.22 RCW.

**Sec. 4.** RCW 19.27.031 and 2018 c 189 s 1 are each amended to read as follows:

Except as otherwise provided in this chapter, there shall be in effect in all counties and cities the state building code which shall consist of the following codes which are hereby adopted by reference:

(1)(a) The International Building Code, published by the International Code Council, Inc.;

(b) The International Residential Code, published by the International Code Council, Inc. including Appendix Q of the 2018 International Residential Code;

(2) The International Mechanical Code, published by the International Code Council, Inc., except that the standards for liquefied petroleum gas installations shall be NFPA 58 (Storage and Handling of Liquefied Petroleum Gases) and ANSI Z223.1/NFPA 54 (National Fuel Gas Code);

(3) The International Fire Code, published by the International Code Council, Inc., including those standards of the National Fire Protection Association specifically referenced in the International Fire Code: PROVIDED, That, notwithstanding any wording in this code, participants in religious ceremonies shall not be precluded from carrying handheld candles;

(4) Portions of the International Wildland Urban Interface Code, published by the International Code Council Inc., as set forth in RCW 19.27.560;

(5) Except as provided in RCW 19.27.170, the Uniform Plumbing Code and Uniform Plumbing Code Standards, published by the International Association of Plumbing and Mechanical Officials: PROVIDED, That any provisions of such code affecting sewers or fuel gas piping are not adopted;

(6) The rules adopted by the council establishing standards for making buildings and facilities accessible to and usable by individuals with disabilities or elderly persons as provided in RCW 70.92.100 through 70.92.160; and

(7) The state’s climate zones for building purposes are designated in RCW 19.27A.020(3) and may not be changed through the adoption of a model code or rule.

In case of conflict among the codes enumerated in subsections (1), (2), (3), (4), and (5) of this section, the first named code shall

govern over those following.

The codes enumerated in this section shall be adopted by the council as provided in RCW 19.27.074. The council shall solicit input from first responders to ensure that firefighter safety issues are addressed during the code adoption process.

The council may issue opinions relating to the codes at the request of a local official charged with the duty to enforce the enumerated codes.

**Sec. 5.** RCW 43.22.450 and 2001 c 335 s 8 are each amended to read as follows:

Whenever used in RCW 43.22.450 through 43.22.490:

(1) “Department” means the Washington state department of labor and industries;

(2) “Approved” means approved by the department;

(3) “Factory built housing” means any structure, including a factory built tiny house with or without a chassis (wheels), designed primarily for human occupancy other than a manufactured or mobile home the structure or any room of which is either entirely or substantially prefabricated or assembled at a place other than a building site;

(4) “Install” means the assembly of factory built housing or factory built commercial structures at a building site;

(5) “Building site” means any tract, parcel or subdivision of land upon which factory built housing or a factory built commercial structure is installed or is to be installed;

(6) “Local enforcement agency” means any agency of the governing body of any city or county which enforces laws or ordinances governing the construction of buildings;

(7) “Commercial structure” means a structure designed or used for human habitation, or human occupancy for industrial, educational, assembly, professional or commercial purposes.

**NEW SECTION. Sec. 6.** A new section is added to chapter 35.21 RCW to read as follows:

(1) A city or town may adopt an ordinance to regulate the creation of tiny house communities.

(2) The owner of the land upon which the community is built shall make reasonable accommodation for utility hookups for the provision of water, power, and sewerage services and comply with all other duties in chapter 59.20 RCW.

(3) Tenants of tiny house communities are entitled to all rights and subject to all duties and penalties required under chapter 59.20 RCW.

(4) For purposes of this section:

(a) “Tiny house” and “tiny house with wheels” means a dwelling to be used as permanent housing with permanent provisions for living, sleeping, eating, cooking, and sanitation built in accordance with the 2018 International Resident Code Appendix Q.

(b) “Tiny house communities” means real property rented or held out for rent to others for the placement of tiny houses with wheels or tiny houses utilizing the binding site plan process in RCW 58.17.035.”

On page 1, line 1 of the title, after “houses;” strike the remainder of the title and insert “amending RCW 58.17.040, 35.21.684, 19.27.031, and 43.22.450; adding a new section to chapter 35.21 RCW; and creating a new section.”

Senator Zeiger spoke in favor of adoption of the amendment.

#### POINT OF INQUIRY

Senator Honeyford: “Thank you Madam President. Would Senator Zeiger yield to a question.?”

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

President Pro Tempore Keiser: “Does the Senator yield?”

Senator Zeiger: “Yes.”

Senator Honeyford: “This puts it under Labor and Industries. Does that mean that if you want to do any modifications or changes, you’ll have to get a permit from Labor and Industries rather than a building permit?”

Senator Zeiger: “Senator, I will have to get back to you on that.”

Senator Palumbo spoke in favor of adoption of the amendment.

The President Pro Tempore declared the question before the Senate to be the adoption of striking amendment no. 052 by Senator Zeiger to Substitute Senate Bill No. 5383.

The motion by Senator Zeiger carried and striking amendment no. 052 was adopted by voice vote.

MOTION

On motion of Senator Zeiger, the rules were suspended, Engrossed Substitute Senate Bill No. 5383 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Zeiger and Kuderer spoke in favor of passage of the bill.

The President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5383.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5383 and the bill passed the Senate by the following vote: Yeas, 44; Nays, 2; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O’Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senators Ericksen and Honeyford

Excused: Senators Fortunato, Sheldon and Walsh

ENGROSSED SUBSTITUTE SENATE BILL NO. 5383, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

On motion of Senator Liias, Senate Bill No 5937, clarifying the required color of certain lamps on vehicles, was removed from the consent calendar and placed on the day’s second reading calendar.

REMARKS BY THE PRESIDENT PRO TEMPORE

President Pro Tempore Keiser: “I believe I am going to take a break and Senator Hasegawa is going to join me for the consent calendar coming up? And I just want a Point of Personal

Privilege to make a little report. For the last two days I’ve spent a lot of time at this rostrum. It’s been interesting and a little tiring and I want to report that the members have been extremely kind and helpful and I have seen a reduction in some of the earlier statements. I was only called ‘Madam Chair’ seven times. I was called ‘Mister President’ twice. I was called something unintelligible just now by Senator Kuderer. And I was called ‘Madam Speaker’ once. And I think that the trend-line is very positive and I thank you all for your forbearance.”

Vice President Pro Tempore Conway assumed the chair.

SECOND READING

SENATE BILL NO. 5425, by Senators Cleveland, Keiser, Becker and Hasegawa

Concerning maternal mortality reviews.

MOTIONS

On motion of Senator Cleveland, Substitute Senate Bill No. 5425 was substituted for Senate Bill No. 5425 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Cleveland, the rules were suspended, Substitute Senate Bill No. 5425 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Cleveland spoke in favor of passage of the bill.

MOTION

On motion of Senator Wilson, C., Senator Hasegawa was excused.

The Vice President Pro Tempore declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5425.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5425 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O’Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senators Fortunato, Sheldon and Walsh

SUBSTITUTE SENATE BILL NO. 5425, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5881, by Senators King, Hobbs, Takko, Wellman, Saldaña, Rivers, Holy and Keiser

Addressing the installation of safety glazing or film sunscreening materials.

The measure was read the second time.

#### MOTION

On motion of Senator King, the rules were suspended, Senate Bill No. 5881 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator King spoke in favor of passage of the bill.

#### MOTION

On motion of Senator Kuderer, Senator Darneille was excused.

The Vice President Pro Tempore declared the question before the Senate to be the final passage of Senate Bill No. 5881.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5881 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senators Sheldon and Walsh

SENATE BILL NO. 5881, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

At 1:14 p.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President for the purposes of a lunch break and caucus.

Senator Becker announced a meeting of the Republican Caucus immediately upon going at ease.

Senator McCoy announced a meeting of the Democratic Caucus immediately upon going at ease.

---

#### AFTERNOON SESSION

---

The Senate was called to order at 3:40 p.m. by President Habib.

#### SECOND READING

SENATE BILL NO. 5889, by Senator Dhingra

Concerning insurance communications confidentiality.

#### MOTIONS

On motion of Senator Dhingra, Substitute Senate Bill No. 5889 was substituted for Senate Bill No. 5889 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Dhingra, the rules were suspended, Substitute Senate Bill No. 5889 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Dhingra and Cleveland spoke in favor of passage of the bill.

Senators Rivers, Becker and O'Ban spoke against passage of the bill.

#### MOTION

On motion of Senator Wilson, C., Senator Rolfes was excused.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5889.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5889 and the bill passed the Senate by the following vote: Yeas, 27; Nays, 19; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Palumbo, Pedersen, Randall, Saldaña, Salomon, Takko, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, O'Ban, Padden, Rivers, Schoesler, Short, Wagoner, Warnick, Wilson, L. and Zeiger

Excused: Senators Rolfes, Sheldon and Walsh

SUBSTITUTE SENATE BILL NO. 5889, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5861, by Senators Dhingra, Rivers, Hunt, Wellman, Hasegawa, Darneille, Saldaña, Cleveland, Conway, Frockt, Keiser, Kuderer, Liias, Palumbo, Randall and Wilson, C.

Extending respectful workplace code of conduct provisions to all members of the legislative community.

#### MOTIONS

On motion of Senator Dhingra, Substitute Senate Bill No. 5861 was substituted for Senate Bill No. 5861 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Dhingra, the rules were suspended, Substitute Senate Bill No. 5861 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Dhingra spoke in favor of passage of the bill.

Senators Zeiger and Ericksen spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5861.

#### ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5861 and the bill passed the Senate by the following vote: Yeas, 29; Nays, 18; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Palumbo, Pedersen, Randall, Rolfes, Saldaña, Salomon, Takko,

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, Padden, Rivers, Schoesler, Short, Wagoner, Warnick, Wilson, L. and Zeiger

Excused: Senators Sheldon and Walsh

SUBSTITUTE SENATE BILL NO. 5861, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5324, by Senators Frockt, Zeiger, Darneille, Walsh, Kuderer, Palumbo, Das, Hasegawa, Hunt, Wellman, Cleveland, Pedersen, Keiser, Nguyen, McCoy, Van De Wege, Dhingra and Saldaña

Concerning support for students experiencing homelessness.

MOTIONS

On motion of Senator Frockt, Substitute Senate Bill No. 5324 was substituted for Senate Bill No. 5324 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Frockt, the rules were suspended, Substitute Senate Bill No. 5324 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Frockt and Hawkins spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5324.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5324 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 1; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senator Schoesler

Excused: Senators Sheldon and Walsh

SUBSTITUTE SENATE BILL NO. 5324, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Liias: "Thank you Mr. President. Many folks in the Senate have met my longtime Legislative Assistant Curt Kohlwes and you may have noticed that for the last two days Curt has not been here. And that is because Curt and Kelley welcomed their first child, Jonathan, earlier today in Tacoma. And so he is joining our legislative family and he's joining the family at 'Team 21' and hopefully a bright and wonderful career in public service for him as well, following in his dad's footsteps. I want to

appreciate Senator Short's office sent over some gifts already for young Jonathan. We are all excited to welcome him and I've assured Curt that we all want to meet Jonathan at some point before sine die, but just want to take a special moment and wish the Kohlwes family well and congratulate them on their new arrival."

The senate recognized the arrival of Mr. Jonathan Kohlwes.

SECOND READING

SENATE BILL NO. 5119, by Senators Palumbo, Keiser, Mullet, Wellman, Hunt, Liias, Conway, Frockt, Saldaña and Van De Wege

Including highway workers employed on a transportation project by a contractor in the tuition and fee exemption for children and surviving spouses of highway workers.

The measure was read the second time.

MOTION

On motion of Senator Palumbo, the rules were suspended, Senate Bill No. 5119 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Palumbo and Keiser spoke in favor of passage of the bill.

Senator Holy spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5119.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5119 and the bill passed the Senate by the following vote: Yeas, 36; Nays, 11; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Frockt, Hasegawa, Hobbs, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Takko, Van De Wege, Warnick, Wellman, Wilson, C. and Zeiger

Voting nay: Senators Bailey, Becker, Fortunato, Hawkins, Holy, Honeyford, Padden, Schoesler, Short, Wagoner and Wilson, L.

Excused: Senators Sheldon and Walsh

SENATE BILL NO. 5119, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SENATE BILL NO. 5022, by Senators Keiser, Conway, Van De Wege, Hunt, Hobbs, Wellman and Kuderer

Granting binding interest arbitration rights to certain higher education uniformed personnel.

The measure was read the second time.

MOTION

On motion of Senator Keiser, the rules were suspended, Senate

Bill No. 5022 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Keiser and King spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5022.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5022 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 2; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, McCoy, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rolfes, Saldaña, Salomon, Schoesler, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senators Mullet and Rivers

Excused: Senators Sheldon and Walsh

SENATE BILL NO. 5022, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5786, by Senators Brown and Palumbo

Concerning research in public institutions of higher education.

The measure was read the second time.

#### MOTION

On motion of Senator Brown, the rules were suspended, Senate Bill No. 5786 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Brown spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5786.

#### ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5786 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 1; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senator Hasegawa

Excused: Senators Sheldon and Walsh

SENATE BILL NO. 5786, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

On motion of Senator Short, Substitute Senate Bill No. 5887

was not substituted for Senate Bill No. 5887 and the substitute bill was not adopted.

#### SECOND READING

SENATE BILL NO. 5887, by Senators Short, Keiser and Nguyen

Concerning health carrier requirements for prior authorization standards.

The measure was read the second time.

#### MOTION

Senator Short moved that the following amendment no. 157 by Senator Short be adopted:

On page 1, beginning on line 17, after "~~and~~" strike "~~are subject to quantitative treatment limits of the health plan~~)" and insert "~~are~~) subject to quantitative treatment limits of the health plan"

On page 1, beginning on line 20, after "patient's" strike "chiropractor or other primary care" and insert "treating or referring"

Senators Short and Cleveland spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 157 by Senator Short on page 1, line 17 to Senate Bill No. 5887.

The motion by Senator Short carried and amendment no. 157 was adopted by voice vote.

#### MOTION

On motion of Senator Short, the rules were suspended, Engrossed Senate Bill No. 5887 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Short and Cleveland spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5887.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5887 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 2; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, McCoy, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Voting nay: Senators Mullet and Schoesler

Excused: Senators Sheldon and Walsh

ENGROSSED SENATE BILL NO. 5887, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

SENATE BILL NO. 5376, by Senators Carlyle, Palumbo, Wellman, Mullet, Pedersen, Billig, Hunt, Liias, Rolfes, Saldaña, Hasegawa and Keiser

Protecting consumer data.

MOTION

On motion of Senator Carlyle, Second Substitute Senate Bill No. 5376 was substituted for Senate Bill No. 5376 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Schoesler moved that the following amendment no. 186 by Senator Schoesler be adopted:

On page 21, after line 9, insert the following:

**NEW SECTION. Sec. 18.** Any legislator who sponsored this act is prohibited from providing compliance assistance in the form of consulting services, or other services for compensation, to any person or entity that is required to comply with this act. This prohibition does not apply to a former legislator who is no longer a member of the legislature.”

Re-number the remaining section consecutively.

Senator Schoesler spoke in favor of adoption of the amendment.

POINT OF ORDER

Senator Billig: “I believe this amendment is out of order as it violates rule 29 by impugning the motives of the members of this body.”

President Habib: “Senator Billig, did you, did you want to speak any further on the point of order before a ruling? Because, I’m going to allow Senator Schoesler to respond and then we’ll rule.”

Senator Billig: “Yes, I would give some additional remarks. In the remarks, as you mentioned, the author of the amendment talked about, ‘if you do this,’ ‘if you do this,’ ‘if you do this,’ speaking specifically to the sponsors of the bill. And, in rule 29, it says clearly, ‘that you may not impeach the motives of a member of this body’, and I believe that the intent and the language of the, of the amendment, as well as the remarks by the amendment sponsors clearly are impeaching the motives of the sponsors of this legislation.”

Senator Schoesler: “Thank you Mr. President. Rising, there was no motive to impugn any individual. If I sought to do that I would name an individual by their name. This is a broad category of people sponsoring legislation. We have to keep our standards high, our ethics high for the people of the state of Washington. By no means did I mean to impugn any member of the Senate, but to keep the honor and standards of the Senate high as you would want it to be Mr. President.”

RULING BY THE PRESIDENT

President Habib: “I’m going to rule on Senator Billig’s point of order with respect to amendment 186, which was moved by Senator Schoesler. There’s, there is, there’s two, I want to make two points about this. Number one, I want to say that, with

respect, as I mentioned earlier, with respect to the remarks made by the mover of the amendment and as I read it, the content of the of the amendment itself, I think, or I can’t speak to, I don’t want to violate the same rule and speak to the motivations, Senator Schoesler but I, I will say that they have the effect of giving the reader the sense that the sponsors of this legislation are interested in some kind of pecuniary benefit. That’s the impression that that I get when reading it. And the reason for that is that if, if the reason were something else, seemingly, the amendment would mention all legislators. Or would mention legislators and legislative staff or some broader class. But just as is the case when analyzing a potential conflict of interest where the narrower the class of beneficiaries, the more suspect the vote of a senator, here to the more narrow the group of individuals affected by the language, the more suspect that language is with respect to impugning motives. Now, all of that said, and I would encourage Senator Schoesler as the leader of his caucus and a respected member of the Legislature, to refrain. If that is, and I know sometimes these things are unintended, but to refrain from giving that impression to, to, to one’s colleagues. At the same time, the President does not feel that the Senate rule gives me sufficient standing to strike this amendment down as I would when making a, when responding to a point of order with, on constitutional grounds such as scope and object or a single subject. And so Senator Billig’s, to use an expression that my predecessor used often, Senator Billig’s point is well taken. However, the amendment remains before the Senate. One final point that I will make, however, is that I have not ruled on whether the amendment before the Senate violates the object of the underlying bill. That point of order was not raised and I’m not inclined to make a ruling *sua sponte* on that question. But I will say that that is an area and, if you look back at the ruling I made last year, I do think senators should pay very close attention to whether or not an amendment that they’re offering fits both the scope and the object. Those are two different doctrines, two different theories.”

Senator Billig spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 186 by Senator Schoesler on page 21, line 9 to Second Substitute Senate Bill No. 5376.

The motion by Senator Schoesler did not carry and amendment no. 186 was not adopted by voice vote.

On motion of Senator Carlyle, the rules were suspended, Second Substitute Senate Bill No. 5376 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Carlyle and Ericksen spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5376.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5376 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 1; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frocht, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O’Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Short, Takko, Van De Wege,

Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger  
 Voting nay: Senator Hasegawa  
 Excused: Senators Sheldon and Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5376, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5438, by Senators McCoy, Saldaña, Conway, Van De Wege, Keiser, Rolfes, Wellman, Dhingra, Hasegawa and Kuderer

Concerning the H-2A temporary agricultural program. Revised for 2nd Substitute: Establishing the office of agricultural and seasonal workforce services within the employment security department.

#### MOTION

Senator McCoy moved that Second Substitute Bill No. 5438 be substituted for Senate Bill No. 5438 and that the substitute bill be placed on the second reading calendar.

Senator Short objected and spoke against the motion to substitute the bill.

Senator Liias spoke in favor of the motion to substitute the bill.

#### REMARKS BY THE PRESIDENT

President Habib: "Senator Liias, the Secretary has assured me that we can have copies of these amendments distributed within two minutes. So, I feel more comfortable with members having the amendments in front of them. We still have a couple of procedural moves here before we take a vote on the first amendment. So, let's continue and then we will pause if we have to."

The President declared the question before the Senate to be the motion by Senator McCoy that Second Substitute Senate Bill No. 5438 be substituted for Senate Bill No. 5438.

The motion by Senator McCoy carried and Second Substitute Senate Bill No. 5438 was substituted for Senate Bill No. 5438 and the substitute was placed on the second reading calendar and read a second time.

#### MOTION

On motion of Senator Liias, further consideration of Second Substitute Senate Bill No. 5438 was deferred and the bill held its place on the second reading calendar.

#### SECOND READING

SENATE BILL NO. 5511, by Senators Wellman, Sheldon, Carlyle, Short, McCoy, Nguyen, Takko, Cleveland, Darneille, Dhingra, Liias, Mullet, Saldaña and Frockt

Expanding affordable, resilient broadband service to enable economic development, public safety, health care, and education in Washington's communities.

#### MOTION

On motion of Senator Liias, Second Substitute Senate Bill No.

5511 was substituted for Senate Bill No. 5511 and the substitute bill was placed on the second reading and read the second time.

#### MOTION

Senator Ericksen moved that the following amendment no. 193 by Senator Ericksen be adopted:

On page 13, after line 12, insert the following:

"**Sec. 9.** RCW 54.16.300 and 1987 c 18 s 1 are each amended to read as follows:

A public utility district by resolution may combine two or more of its separate utility functions into a single utility and combine its related funds or accounts into a single fund or account. The separate utility functions include electrical energy systems, domestic water systems, irrigation systems, sanitary sewer systems, ~~((and))~~ storm sewer systems, and broadband systems. All powers granted to public utility districts to acquire, construct, maintain, and operate such systems may be exercised in the joint acquisition, construction, maintenance, and operation of such combined systems. The establishment, maintenance, and operation of the combined system shall be governed by the public utility district statutes relating to one of the utility systems that is being combined, as specified in the resolution combining the utility systems."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 14, beginning on line 1, after "purpose." strike all material through "retired." on line 13, and insert "~~((In either case, a public utility district providing wholesale telecommunications services shall separately account for any revenues and expenditures for those services according to standards established by the state auditor pursuant to its authority in chapter 43.09 RCW and consistent with the provisions of this title. Any revenues received from the provision of wholesale telecommunications services must be dedicated to costs incurred to build and maintain any telecommunications facilities constructed, installed, or acquired to provide such services, including payments on debt issued to finance such services, until such time as any bonds or other financing instruments executed after June 8, 2000, and used to finance such telecommunications facilities are discharged or retired.))~~"

On page 15, after line 17, insert the following:

"**Sec. 10.** RCW 54.16.420 and 2018 c 186 s 1 are each amended to read as follows:

(1) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Broadband" means high-speed internet access and other advanced telecommunications services.

(b) "Broadband network" means networks of deployed telecommunications equipment and technologies necessary to provide broadband.

(c) "Inadequate" means internet retail service that does not meet one hundred percent of the standards detailed in the service level agreement.

(d) "Partnership payment structure" means a group of or individual property owners who agree to pay a term payment structure for infrastructure improvements to their property.

(e) "Petition" means a formal written request for retail internet service by property owners on the public utility district broadband network.

(f) "Retail internet service" means the provision of broadband to end users.

(g) "Service level agreement" means a standard agreement, adopted during an open public meeting, between the retail internet

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

service provider and the public utility that describes the required percentage of broadband download and upload speed and system availability, customer service, and transmission time.

(2) Any public utility district that, as of June 7, 2018, provides only water, sewer, and wholesale telecommunications services in a county with an area less than five hundred square miles and is located west of the Puget Sound may provide retail internet service on the public utility district's broadband network located within the public utility district boundaries only when all of the existing providers of end-user internet service on the public utility district's broadband network cease to provide end-user service or provide inadequate end-user service as determined in the manner prescribed by this section. The authority provided in this subsection expires five years after June 7, 2018, for any public utility district that has not either entered into a partnership payment structure to finance broadband deployment or been petitioned to provide retail internet service within that time period.

(3) Upon receiving a petition meeting the requirements of subsection (4) of this section, a public utility district board of commissioners may hold up to three meetings to:

(a) Verify the signature or signatures of the property owners on the petition and certify the petition;

(b) Determine and submit findings that the retail internet service available to the petitioners served by the public utility district's broadband network is either nonexistent or inadequate as defined in the service level agreement adopted by the commissioners for all existing internet service providers on the public utility district's broadband network;

(c) Receive, and either reject or accept any recommendations or adjustments to, a business case plan developed in accordance with subsection (7) of this section; and

(d) By resolution, authorize the public utility district to provide retail internet service on the public utility district's broadband network.

(4) A petition meets the requirements of subsection (3) of this section if it is delivered to a public utility district board of commissioners, declares that the signatories on the public utility district's broadband network have no or inadequate retail internet service providers, requests the public utility district to provide the retail internet service, and is signed by one of the following:

(a) A majority of a group, including homeowners' associations, of any geographical area within the public utility district, who have developed a partnership payment structure to finance broadband deployment with the public utility district; or

(b) Any individual who has developed a partnership payment structure to finance broadband deployment with the public utility district.

(5) For the purposes of this section, the adequacy of retail internet service is determined by measuring retail internet service to end users on the public utility district's broadband network and comparing it with service standards in the public utility district service level agreement used for all public utility district network providers. Measurement of the existing retail internet service provider's service must be quantified by measuring the service with speed and capacity devices and software. Additionally, a retail internet service provider may submit its own assessment of its service level for consideration by the commission within thirty days of the first meeting conducted under subsection (3) of this section.

(6) The commissioners of a public utility district may by resolution authorize the public utility district to provide or contract for provision of retail internet services on the public utility district's broadband network:

(a) After development of a business case plan in accordance

with subsection (7) of this section; and

(b) When it is determined that no service or inadequate service exists for the individual or petitioners identified in subsection (4) of this section.

(7) The business case plan under subsection (6) of this section must be reviewed by an independent qualified consultant. The review must include the use of public funds in the provision of retail internet service. Any recommendations or adjustments to the business case plan made during third-party review must be received and either rejected or accepted by the district board of commissioners in an open meeting.

(8)(a) Except as provided in subsection (9) of this section, in case of failure to reach an agreement on the adequacy of retail internet service, the commissioners must request an appointment of an administrative law judge under Title 34 RCW to hear the dispute.

(b) The commissioners must provide a written notice, together with a copy of the dispute, and may require the disputing parties to attend a hearing before the administrative law judge, at a time and place to be specified in the written notice.

(c) The place of any such hearing may be the office of the commissioners or another place designated by the commissioners. The disputed information must be presented at the hearing.

(d) Upon review and consideration of all of the evidence, the administrative law judge must determine if the retail internet service is inadequate or nonexistent as defined in this section. Upon making a determination, the administrative law judge must state findings of fact and must issue and file a determination with the commissioners.

(9) If a provider of end-user service is a company regulated by the utilities and transportation commission, the company may choose to have the commission resolve disputes concerning the service level agreement under the process established in RCW 54.16.340. For the purposes of this subsection, "company" includes subsidiaries or affiliates.

(10) Any public utility district providing cable television service under this section must secure a cable television franchise, pay franchise fees, and any applicable taxes to the local cable franchise authority as required by federal law.

(11) Except as provided in subsection (9) of this section, nothing in this section may be construed or is intended to confer upon the utilities and transportation commission any authority to exercise jurisdiction over locally regulated utilities.

(12) All rates for retail internet services offered by a public utility district under this section must be just, fair, and reasonable, except the public utility district may set tiers of service charges based on service demands of the end user, including commercial and residential rates.

(13) A public utility district must not condition the availability or cost of other services upon the purchase or use of retail internet service.

(14) A public utility district authorized to provide retail internet service within a specific geographical area must, upon reasonable notice, furnish to all persons and entities within that geographical area meeting the provisions of subsections (2) and (4) of this section proper facilities and connections for retail internet service as requested.

~~((15) A public utility district providing retail internet service must separately account for any revenues and expenditures for those services according to standards established by the state auditor pursuant to its authority in chapter 43.09 RCW and consistent with the provisions of this title.))~~

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 1, line 3 of the title, after “RCW” insert “54.16.300,” and after “54.16.330,” insert “54.16.420,”

Senator Ericksen spoke in favor of adoption of the amendment.  
Senator Wellman spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 193 by Senator Ericksen on page 13, line 12 to Second Substitute Senate Bill No. 5511.

The motion by Senator Ericksen did not carry and amendment no. 193 was not adopted by voice vote.

#### MOTION

Senator Ericksen moved that the following amendment no. 192 by Senator Ericksen be adopted:

On page 23, after line 30, insert the following:

**“NEW SECTION. Sec. 19.** (1) This section is the tax preference performance statement for the tax preference in section 20, chapter . . . , Laws of 2019 (section 20 of this act). This performance statement is intended only to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to expand high-speed broadband service in unserved areas of Washington, as indicated in RCW 82.32.808(2)(f).

(3) It is the legislature’s specific public policy objective to expand access to high-speed broadband service in unserved areas of Washington. It is the legislature’s intent to provide a sales and use tax exemption for telecommunications network transmission equipment that is located in unserved areas of Washington and used for the primary purpose of providing retail broadband service or supporting utility broadband services to those unserved areas, thereby increasing the ability of businesses to invest in and expand their broadband networks in unserved areas of Washington.

(4) If a review finds that the number of consumers receiving high-speed broadband service in unserved areas of Washington has increased by ten percent in ten years compared to the number of consumers receiving such service on July 1, 2020, then the legislature intends to extend the expiration date of the tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to data provided by the Washington utilities and transportation commission, data from the national telecommunications and information administration, data from the department of commerce, and the national broadband map maintained by the federal communications commission.

**NEW SECTION. Sec. 20.** A new section is added to chapter 82.04 RCW to read as follows:

(1) Subject to the limitations in this section, a credit is allowed against the taxes imposed under this chapter for the capital costs associated with providing retail broadband service using qualified broadband equipment, including taxes paid under chapters 82.08 and 82.12 RCW.

(2) A person claiming the credit for taxes paid under chapters 82.08 and 82.12 RCW on the capital costs associated with providing retail broadband service using qualified broadband equipment must have paid the taxes under chapters 82.08 and 82.12 RCW in order to claim the credit under this chapter.

(3) The credit is equal to fifty percent of the capital costs, including associated sales and use taxes paid, to be divided

equally over fifteen years.

(4) Credits earned under this section may be claimed against taxes due or paid for the calendar year in which the tax contribution is made. The amount of credit claimed for a reporting period may not exceed the tax otherwise due under this chapter for that reporting period and is limited to five million dollars total per person claiming a credit.

(5) Any amount of tax credit allowable under this section not claimed by the person in any calendar year may be carried over and claimed against the person’s tax liability for the next succeeding calendar year. Any credit remaining unused in the next succeeding calendar year may be carried forward and claimed against the person’s tax liability for the second and succeeding calendar years and may be carried forward and claimed against the person’s tax liability for the next thirteen succeeding calendar years from the year the credit was first claimed, but may not be carried over for any calendar year thereafter.

(6) Credits are available on a first in-time basis. The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed under this section to exceed fifty million dollars. If this limitation is reached, the department must provide notice on its web site that the statewide limit has been met. In addition, the department must provide written notice to any person who has claimed tax credits in excess of the limitation in this subsection. The notice must indicate the amount of tax due and provide that the tax be paid within thirty days from the date of the notice. The department may not assess penalties and interest as provided in chapter 82.32 RCW on the amount due in the initial notice if the amount due is paid by the due date specified in the notice, or any extension thereof.

(7) To claim a credit under this section, a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department. Any return, form, or information required to be filed in an electronic format under this section is not filed until received by the department in an electronic format. As used in this subsection, “returns” has the same meaning as “return” in RCW 82.32.050.

(8) No application is necessary for the tax credit. The person must keep records necessary for the department to verify eligibility under this section.

(9) A person receiving a credit under this section must provide to the department, upon request, such information needed to verify eligibility for credit under this section, including information regarding capital costs that are claimed for credits under this section.

(10) The department may not allow any credit under this section before July 1, 2020.

(11) No credit may be earned for costs incurred on or after July 1, 2030.

(12) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) “Broadband” means any service providing advanced telecommunications capability and internet access with transmission speeds that, at a minimum, provide twenty-five megabits per second download and three megabits per second upload.

(b) “Qualified broadband equipment” means telecommunications network transmission equipment located in an unserved area in the state that is necessary for and primarily used to provide retail broadband service or support utility broadband services by wire or radio with the capability to transmit data to and receive data from substantially all internet end points with minimum speeds of twenty-five megabits per second download and three megabits per second upload.”

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 1, line 8 of the title, after "RCW;" strike "creating a new section;" and insert "adding a new section to chapter 82.04 RCW; creating new sections;"

Senator Ericksen spoke in favor of adoption of the amendment.

Senator Wellman spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 192 by Senator Ericksen on page 23, line 30 to Second Substitute Senate Bill No. 5511.

The motion by Senator Ericksen did not carry and amendment no. 192 was not adopted by voice vote.

## MOTION

On motion of Senator Wellman, the rules were suspended, Second Substitute Senate Bill No. 5511 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman, Short, Fortunato and Ericksen spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5511.

## ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5511 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Padden, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senators Sheldon and Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5511, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

The Senate resumed consideration of Second Substitute Senate Bill No. 5438 which had been deferred earlier in the day.

## SECOND READING

SECOND SUBSTITUTE SENATE BILL NO. 5438, by Senate Committee on Ways & Means (originally sponsored by McCoy, Saldaña, Conway, Van De Wege, Keiser, Rolfes, Wellman, Dhingra, Hasegawa and Kuderer)

Establishing the office of agricultural and seasonal workforce services within the employment security department.

## MOTION

Senator Honeyford moved that the following amendment no. 196 by Senator Honeyford be adopted:

On page 3, beginning on line 17, after "(a)" strike all material through "(b)" on line 20

Reletter the remaining subsection consecutively and correct

any internal references accordingly.

Senator Honeyford spoke in favor of adoption of the amendment.

Senators Rolfes and Keiser spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 196 by Senator Honeyford on page 3, line 17 to Second Substitute Senate Bill No. 5438.

The motion by Senator Honeyford did not carry and amendment no. 196 was not adopted by voice vote.

## MOTION

Senator Warnick moved that the following amendment no. 200 by Senator Warnick be adopted:

On page 3, beginning on line 27, after "(c)" strike all material through "dollars." on line 34 and insert "The department may establish a fee for each H-2A worker requested. The fee must be waived for the first ten workers requested per employer each year. The fee shall not exceed seventy-five dollars per requested H-2A worker."

Senators Warnick, King, Ericksen, Schoesler and Honeyford spoke in favor of adoption of the amendment.

Senator Keiser spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 200 by Senator Warnick on page 3, line 27 to Second Substitute Senate Bill No. 5438.

The motion by Senator Warnick did not carry and amendment no. 200 was not adopted by voice vote.

## MOTION

Senator Short moved that the following amendment no. 197 by Senator Short be adopted:

On page 3, line 32, after "Any" strike "flat"

On page 3, line 33, after "not exceed" strike "five hundred" and insert "twenty-five"

Senators Short, Warnick and Fortunato spoke in favor of adoption of the amendment.

Senator Van De Wege spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 197 by Senator Short on page 3, line 32 to Second Substitute Senate Bill No. 5438.

The motion by Senator Short did not carry and amendment no. 197 was not adopted by voice vote.

## MOTION

Senator Honeyford moved that the following amendment no. 198 by Senator Honeyford be adopted:

On page 4, beginning on line 23, after "fees." strike all material through "program." on line 26 and insert "The department may not use fees collected under this section to pay for any activity that is not specified in the United States department of labor annual H-2A funding grant."

Senators Honeyford and Keiser spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 198 by Senator Honeyford on page 4, line 23 to Second Substitute Senate Bill No. 5438.

The motion by Senator Honeyford carried and amendment no. 198 was adopted by voice vote.

#### MOTION

Senator King moved that the following striking amendment no. 199 by Senator King be adopted:

Strike everything after the enacting clause and insert the following:

**“NEW SECTION. Sec. 1.** (1) The commissioner shall convene an advisory committee to review issues and topics of interest described in subsections (4) and (5)(a) and (b) of this section.

(2) The advisory committee shall be funded by an appropriation of five hundred thousand dollars per fiscal year from the funds established in RCW 50.24.014 for the first two years. Prior to the end of the first two years of the committee, the committee shall make recommendations for the continued funding for the committee in the report required under subsection (5) of this section.

(3)(a) The committee is composed of eight voting members:

(i) Four voting members representing agricultural workers’ interests: One of whom shall be a farmworker; and all of whom shall be appointed from a list of at least four names submitted by a recognized statewide organization of workers;

(ii) Four voting members representing agricultural employers: One of whom shall be an agricultural employer; and all of whom shall be appointed from a list of at least four names submitted by a recognized statewide organization of agricultural employers; and

(iii) One ex officio member, without a vote, shall represent the department and serve as the chair.

(b) The department of labor and industries, department of health, and department of agriculture shall each have one nonvoting ex officio member serve on the advisory committee.

(4) The committee shall meet at least three times per year and provide comment on department rule making, policies, and initiatives, and study issues the committee determines require consideration.

(5) The committee shall submit a report to the governor and the legislature by October 31st each year beginning in 2021, that analyzes:

(a) The activities of, costs of, and funding for the employment security department’s farmworker programs, including but not limited to the funds used to administer the H-2A application and adjudication process, wagner-peyser labor exchange programs, United States department of labor office of foreign labor certification programs, labor market information programs, and the funds to administer other statewide programs for farmworkers, and the amount of funds allocated by the federal government to administer the H-2A program and all other agricultural programs; and

(b) The working conditions, safety, and housing of farmworkers; the number of domestic farmworkers and available domestic farmworkers; and ways to attract more domestic farmworkers.

(6) The committee members shall serve without compensation, but are entitled to reimbursement for travel expenses as provided in RCW 43.03.050 and 43.03.060. The committee may utilize department personnel and facilities as needed, without charge.”

On page 1, line 1 of the title, after “establishing” strike the remainder of the title and insert “an advisory committee within the employment security department; and creating a new section.”

Senators King, Short and Warnick spoke in favor of adoption

of the amendment.

Senator Saldaña spoke against adoption of the amendment.

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the striking amendment by Senator King to Second Substitute Senate Bill No. 5438.

#### ROLL CALL

The Secretary called the roll on the adoption of the striking amendment by Senator King and the striking amendment was not adopted by the following vote: Yeas, 19; Nays, 28; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, O’Ban, Padden, Rivers, Schoesler, Short, Wagoner, Warnick, Wilson, L. and Zeiger

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Palumbo, Pedersen, Randall, Rolfes, Saldaña, Salomon, Takko, Van De Wege, Wellman and Wilson, C.

Excused: Senators Sheldon and Walsh.

#### MOTION

On motion of Senator McCoy, the rules were suspended, Engrossed Second Substitute Senate Bill No. 5438 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators McCoy, Hawkins, Lovelett and Rolfes spoke in favor of passage of the bill.

Senators Warnick, King, Ericksen, Becker, Braun and Honeyford spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5438.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5438 and the bill passed the Senate by the following vote: Yeas, 26; Nays, 21; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Palumbo, Pedersen, Randall, Rolfes, Saldaña, Salomon, Van De Wege and Wilson, C.

Voting nay: Senators Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, O’Ban, Padden, Rivers, Schoesler, Short, Takko, Wagoner, Warnick, Wellman, Wilson, L. and Zeiger

Excused: Senators Sheldon and Walsh

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5438, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### SECOND READING

SENATE BILL NO. 5947, by Senators McCoy, Schoesler,

FIFTY SECOND DAY, MARCH 6, 2019

2019 REGULAR SESSION

Palumbo, King, Salomon and Warnick

Establishing the sustainable farms and fields grant program.

#### MOTIONS

On motion of Senator McCoy, Second Substitute Senate Bill No. 5947 was substituted for Senate Bill No. 5947 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator McCoy, the rules were suspended, Second Substitute Senate Bill No. 5947 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators McCoy and Warnick spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5947.

#### ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5947 and the bill passed the Senate by the following vote: Yeas, 32; Nays, 15; Absent, 0; Excused, 2.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, O'Ban, Palumbo, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Takko, Van De Wege, Warnick, Wellman, Wilson, C. and Zeiger

Voting nay: Senators Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, Padden, Schoesler, Short, Wagoner and Wilson, L.

Excused: Senators Sheldon and Walsh

SECOND SUBSTITUTE SENATE BILL NO. 5947, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MOTION

At 6:46 p.m., on motion of Senator Liias, the Senate adjourned until 10:00 o'clock a.m. Thursday, March 7, 2019.

CYRUS HABIB, President of the Senate

BRAD HENDRICKSON, Secretary of the Senate

1039-S2	Introduction & 1st Reading..... 2	Introduction & 1st Reading..... 3
1065-S2	Introduction & 1st Reading..... 2	1424-S2
1083-S	Messages ..... 1	Messages ..... 1
1089	Introduction & 1st Reading..... 2	1429
1091-S	Introduction & 1st Reading..... 2	Introduction & 1st Reading..... 3
1130-SE	Introduction & 1st Reading..... 2	1444-S2
1147	Introduction & 1st Reading..... 2	Messages ..... 1
1198-S	Introduction & 1st Reading..... 2	1448-S2
1199-S	Introduction & 1st Reading..... 2	Introduction & 1st Reading..... 3
1210-S	Introduction & 1st Reading..... 2	1462
1225-S	Messages ..... 1	Messages ..... 1
1264-S	Introduction & 1st Reading..... 2	1497-S2
1279	Introduction & 1st Reading..... 3	Messages ..... 1
1284-S	Messages ..... 1	1516
1298-S	Messages ..... 1	Introduction & 1st Reading..... 3
1302-S	Messages ..... 1	1528-S2
1344-S2	Messages ..... 1	Messages ..... 1
1350-S	Introduction & 1st Reading..... 3	1554
1375	Messages ..... 1	Introduction & 1st Reading..... 3
1394-S2	Messages ..... 1	1561
1397	Messages ..... 1	Introduction & 1st Reading..... 3
1403-S	Introduction & 1st Reading..... 3	1565-SE
1406-S	Messages ..... 1	Introduction & 1st Reading..... 3
1408		1576-S
		Messages ..... 1
		1577-S
		Introduction & 1st Reading..... 3
		1587-S
		Introduction & 1st Reading..... 4
		1595-S
		Introduction & 1st Reading..... 4
		1604
		Introduction & 1st Reading..... 4
		1605-S
		Messages ..... 1
		1644-S
		Introduction & 1st Reading..... 4
		1668-S2
		Messages ..... 1
		1670
		Messages ..... 1
		1688
		Introduction & 1st Reading..... 4
		1702
		Introduction & 1st Reading..... 4
		1713-S2
		Messages ..... 1

1714	Introduction & 1st Reading.....	4	Messages .....	1	
1724-S	Introduction & 1st Reading.....	4	2110	Messages .....	1
1726	Introduction & 1st Reading.....	4	2129	Messages .....	1
1739-S	Introduction & 1st Reading.....	4	5022	Second Reading .....	24
1742-S	Introduction & 1st Reading.....	4		Third Reading Final Passage .....	24
1755	Introduction & 1st Reading.....	5	5082	Second Reading .....	16
1764-S	Introduction & 1st Reading.....	5	5082-S2	Second Reading .....	16
1786-S	Messages .....	1		Third Reading Final Passage .....	16
1799-SE	Introduction & 1st Reading.....	5	5089	Second Reading .....	16
1803	Introduction & 1st Reading.....	5	5089-S	Second Reading .....	16
1826-S	Introduction & 1st Reading.....	5		Third Reading Final Passage .....	16
1829	Messages .....	1	5119	Second Reading .....	24
1847-S	Introduction & 1st Reading.....	5		Third Reading Final Passage .....	24
1852	Introduction & 1st Reading.....	5	5120	Second Reading .....	17
1866	Messages .....	1	5120-S2	Second Reading .....	17
1869-S	Introduction & 1st Reading.....	5		Third Reading Final Passage .....	18
1906	Introduction & 1st Reading.....	5	5324	Second Reading .....	23
1973-S2	Messages .....	1	5324-S	Second Reading .....	23
1980	Messages .....	1		Third Reading Final Passage .....	24
2008	Introduction & 1st Reading.....	5	5356	Second Reading .....	14
2040	Messages .....	1	5356-S2	Second Reading .....	14
2044-S	Introduction & 1st Reading.....	5		Third Reading Final Passage .....	15
2072	Messages .....	1	5376	Second Reading .....	25
2108-S			5376-S2	Second Reading .....	25, 26
				Third Reading Final Passage .....	26
			5383	Second Reading .....	19
			5383-S	Second Reading .....	19

5383-SE	Third Reading Final Passage .....	22	5774	Third Reading Final Passage .....	17
5425	Second Reading .....	22	5774-S2	Second Reading .....	7
5425-S	Second Reading .....	22		Third Reading Final Passage .....	14
	Third Reading Final Passage .....	22	5786	Second Reading .....	25
5433	Second Reading .....	18		Third Reading Final Passage .....	25
5433-S2	Second Reading .....	18	5800	Second Reading .....	6
	Third Reading Final Passage .....	18	5800-S2	Second Reading .....	6
5437	Second Reading .....	15		Third Reading Final Passage .....	6
5437-S2	Second Reading .....	15	5815	Second Reading .....	16
	Third Reading Final Passage .....	16	5815-S	Second Reading .....	16
5438	Second Reading .....	27		Third Reading Final Passage .....	17
5438-S2	Other Action.....	27, 30	5861	Second Reading .....	23
	Second Reading .....	27, 30, 31	5861-S	Second Reading .....	23
5438-S2E	Third Reading Final Passage .....	31		Third Reading Final Passage .....	23
5485	Second Reading .....	18	5873	Second Reading .....	15
5485-S	Second Reading .....	18	5873-S2	Second Reading .....	15
5485-SE	Third Reading Final Passage .....	19		Third Reading Final Passage .....	15
5503	Second Reading .....	19	5881	Second Reading .....	22
	Third Reading Final Passage .....	19		Third Reading Final Passage .....	22
5511	Second Reading .....	27	5887	Other Action.....	25
5511-S2	Second Reading .....	27, 29		Second Reading .....	25
	Third Reading Final Passage .....	30	5887-E	Third Reading Final Passage .....	25
5604	Second Reading .....	6	5889	Second Reading .....	23
5604-S2	Second Reading .....	6	5889-S	Second Reading .....	23
	Third Reading Final Passage .....	6		Third Reading Final Passage .....	23
5638	Second Reading .....	17	5937	Other Action.....	22
5638-S	Second Reading .....	17	5947	Second Reading .....	32
	Second Reading .....	17	5947-S2		

Second Reading ..... 32  
 Third Reading Final Passage ..... 32  
 5981  
 Introduction & 1st Reading..... 1  
 9051 Michael Deller  
 Confirmed ..... 5  
 CHAPLAIN OF THE DAY  
 Kadden, Rabbi Bruce, Temple Beth El,  
 Tacoma..... 1  
 FLAG BEARERS  
 Dermody, Miss Delaney ..... 1  
 Wilkinson Bennett, Miss Nobelle ..... 1  
 GUESTS  
 Christensen, Miss Katie, Pledge of Allegiance

..... 1  
 Kohlwes, Mr. & Mrs. Curt and Kelley and  
 Johnathan ..... 24  
 PRESIDENT OF THE SENATE  
 Remarks by the President..... 27  
 Ruling by the President..... 26  
 PRESIDENT PRO TEMPORE OF THE  
 SENATE  
 Remarks by the President Pro Tempore..... 22  
 WASHINGTON STATE SENATE  
 Personal Privilege, Senator Lias ..... 24  
 Personal Privilege, Senator Wellman ..... 17  
 Point of Inquiry, Senator Honeyford ..... 21  
 Point of Order, Senator Billig ..... 26